

FIRST HALF-YEAR RESULTS 2011

SUBSTANTIAL INCREASE IN PROFITABILITY:

- **PROFIT BEFORE R&D AT 40% OF SALES**
- **OPERATING PROFIT UP 20%**
- **NET PROFIT AT 20% OF SALES**

Antony, France; 1 September 2011 – 6pm.

The Board of Directors approved the 2011 half-year financial statements at its meeting of 30 August 2011, chaired by Albert SAPORTA:

In € millions	H1 2010		10/09	H1 2011		11/10
		<i>as % of sales</i>	<i>% change</i>		<i>as % of sales</i>	<i>% change</i>
Sales	110,6	100,0	13	121,7	100,0	10
Cost of goods sold	(24,1)	(21,8)	7	(27,3)	(22,4)	13
SG & A	(43,9)	(39,7)	16	(46,2)	(38,0)	5
Profit before R&D	42,7	38,6	14	48,2	39,6	13
R&D costs	(16,6)	(15,0)	(22)	(17,8)	(14,6)	7
R&D related income	3,5	3,2	(2)	4,8	4,0	36
EBIT	29,5	26,7	51	35,3	29,0	20
Net profit, group share	20,2	18,2	51	23,7	19,5	18
EBITDA	35,6	32,2	48	40,3	33,1	13
Capital expenditure	6,9	6,3	(26)	8,7	7,2	26
Free Cash Flow	27,6	24,9	90	12,5	10,2	(55)
Net cash	25,0		ns	62,1		148
Equity	115,6		24	146,6		27
W. C. R. from operating activities	4,4		(55)	8,6		95
EPS, diluted	1,50 €		49	1,75 €		17

Sales growth and financial position

The first half of 2011 saw a substantial increase in earnings, resulting from sales growth and from a moderate rise in R&D costs.

Despite an unfavourable market environment in Europe (decline estimated at approximately 3% by Stallergenes), primarily due to the regulatory discount in Germany and the weak pollen season of the previous year, the 10% sales growth achieved by Stallergenes during the first half reflected market share gains, owing in particular to the successful launch of Oralair[®] in several European countries.

The profit margin before R&D grew by 13% and represented 39.6% of sales, compared to 38.6% in the first half of 2010. R&D costs increased by 7% in the first half. R&D income included € 1.5 million in revenues relating to the Shionogi partnership contract and € 3.3 million relating to the Research Tax Credit. Operating profit grew by 20% to € 35.3 million. Net profit grew by 18% to € 23.7 million, which represented 19.5% of sales, compared to 18.2% in the first half of 2010. Diluted net earnings per share increased by € 0.25 to € 1.75.

EBITDA for the half-year grew by 13.2% to € 40.3 million, representing 33% of first-half sales. Working capital requirements of operating activities, which had declined last year due to a temporary increase in the current tax liability, picked up during the period. As a result, free cash flow after capital expenditure (or free cash flow), despite remaining largely positive during the period, decreased by 55% to € 12.5 million. Net cash resources continued to grow, from € 59 million at the end of 2010 to € 62 million at the end of June 2011: this was a 2.5-fold year-on-year increase.

The half-year financial report can be downloaded from the website: <http://finance.stallergenes.com>

Annual targets and outlook

For the full-year, the Group is targeting sales growth of between 7% and 9% and a significant increase in operating profit margin to approximately 20% of sales, before taking into account revenue from the partnership contract entered into with Shionogi for the development of sublingual tablets in Japan. The continued investment effort in the second half should only have a marginal effect on net cash generation, which is targeted to be positive over the full year.

The US subsidiary Stallergenes Inc., which opened in May 2011, should facilitate communication with the FDA, particularly with the filing of a registration application for Oralair[®] (grass pollen allergen tablet) in the US.

Recent information

Olivier Motte, an independent director of Stallergenes since 22 June 1998, has informed the Board of Directors of his decision to resign from his duties as from 30 August 2011. The Board of Directors extends its thanks to Olivier Motte for his contribution to the Company's development.

The co-optation of a new director to replace Olivier Motte is not currently being considered.

ABOUT STALLERGENES

Stallergenes is a European biopharmaceutical laboratory specialising in treatments by allergenic immunotherapy for the prevention and treatment of allergy-related respiratory conditions, such as severe rhino conjunctivitis, rhinitis and allergic asthma. A leader in immunotherapy treatments by sublingual administration, Stallergenes dedicates nearly 20% (gross) of its sales to its Research and Development activities, which are primarily directed at developing a new therapeutic range: sublingual immunotherapy tablets.

Stallergenes realised 2010 sales of € 216 million, with over 500,000 patients treated with Stallergenes products.

Euronext Paris (Compartment B)
SBF 120
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For further financial information, please visit our website: <http://finance.stallergenes.com>

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