



UCB S.A. Allée de la Recherche 60, B-1070 Brussels (Belgium)

## Press release

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### UCB Group - Provisional Results for 2003: Increase in Net Profit

- Estimated net profit after tax is € 337 million, which represents an increase of 2% at actual exchange rates and more than 21% at constant exchange rates.
- Ordinary profit is € 480 million, 3% down on the record year of 2002 at actual exchange rates, an increase of 16% at constant exchange rates. Ordinary profit for the Pharma Sector is € 401 million and represents 84% of the Group's ordinary profit.
- The UCB Group has generated a consolidated turnover for 2003 of € 2,965 million and an operating profit (EBIT) of € 487 million.
- The evolution of the exchange rates had a € 92 million impact on ordinary profit.

<b>UCB Group in 2003 (*)</b> (in € million)		<b>Year</b>		<b>Variation</b>	
		<b>2002</b>	<b>2003</b>		At constant exchange rates
<b>Turnover</b>	Pharma Sector	1,476	1,463	- 1%	+ 9%
	Surface Specialties	1,037	1,500	+ 45%	+ 58%
	-of which Films	394	362	- 8%	+ 2%
	Non-sectorial	1	2		
		<b>2,514</b>	<b>2,965</b>	<b>+ 18%</b>	<b>+ 29%</b>
<b>Operating profit (EBIT)</b>	Pharma Sector	<b>445</b>	<b>396</b>	- 11%	+ 11%
	Surface Specialties	<b>57</b>	<b>89</b>	+ 56%	+ 72%
	Non-sectorial	<b>1</b>	<b>2</b>		
		<b>503</b>	<b>487</b>	<b>- 3%</b>	<b>+ 18%</b>
Net financial charges		-9	-7		
<b>Profit before taxation</b>					
<b>Ordinary</b>	Pharma Sector	440	401	- 9%	+ 10%
	Surface Specialties	34	66	+ 94%	+ 118%
	-of which Films	-13	3		
	Non-sectorial	20	13		
		<b>494</b>	<b>480</b>	<b>- 3%</b>	<b>+ 16%</b>
<b>Exceptional</b>		-27	-3		
		<b>467</b>	<b>477</b>		
Taxation		-136	-140		
Share in the profits/losses of apportioned companies		1	0		
<b>Net profit after taxation</b>		<b>332</b>	<b>337</b>	<b>+ 2%</b>	<b>+ 21%</b>

(\*) Provisional Unaudited Figures

**Contact : Arnaud Denis - Investor Relations Manager**

Tel : +32-(0)2-559.92.64 Fax : +32-(0)2-559.95.71

E-mail : [arnaud.denis@ucb-group.com](mailto:arnaud.denis@ucb-group.com) Internet : <http://www.ucb-group.com>

During 2003, UCB maintained growth for the tenth consecutive year, while active change in the Group and its portfolio continued.

## **Pharma**

In the Pharma Sector, sales reached € 1,463 million. At constant rates, this represents a 9% increase over 2002. The new structure of the portfolio is gradually bringing rewards; neurology was once again the driving force of the growth and already represents nearly one third of the Sector's turnover.

In **neurology**, Keppra reached a total turnover of € 314 million, a 36% increase over 2002 (+ 55% at constant exchange rates).

In the USA, Keppra (\$ 236 million turnover, + 53%) currently holds the first place in terms of market share for new prescriptions and the second place for turnover amongst the new antiepileptics in the specific field of epilepsy. After three years on the market, Keppra is now the leader amongst second generation antiepileptic drugs prescribed as add-on for epilepsy.

Now available on all European markets, Keppra generated a turnover within Europe of € 100 million, an increase of 52%.

In Japan, the registration plan for Keppra is going forward as expected.

In addition to Keppra, the neurology franchise also includes Nootropil, which generated a turnover of € 115 million and Frova which, on the American market, reached a turnover of \$ 38 million, more than three times its turnover of the previous year. Frova has found a specific position among anti-migraine treatments, thanks to its long duration of action.

**Allergy**, as a whole, generated a turnover of € 670 million, 46% of the Sector's turnover.

In Europe, Xyzal, with sales of almost three times its level of 2002, confirms its excellent potential in allergy. As anticipated, this performance by Xyzal and the improved resistance of Zyrtec have slowed down the fall in the allergy franchise (- 4% for the second half of the year compared to - 14% for the first half).

In the USA, Zyrtec, with a 20% growth in \$, increased its market share and became the leader in the prescription market. This success can be explained by the quality of our partnership with Pfizer, the effectiveness of the product, the broad availability of galenic formulations and its approval for use in children from the age of six months.

In Japan, Zyrtec remarkably maintained its market share despite strong competition.

With these results, Zyrtec confirms its position as the world leader in the allergy field, while the rapid rise of Keppra is taking it ever closer to being the world leader in epilepsy.

## **Surface Specialties**

Surface Specialties has increased its turnover by 45% to € 1,500 million. This figure incorporates the activities acquired from Solutia (€ 540 million), the sale of Taminco and the evolution in the exchange rates for foreign currencies against the euro.

The turnover for Surface Specialties comprises 69% from Coating Resins & Additives and 31% from Films & Adhesives.

Development was favorable in Asia, while the slowdown in the economy in both Europe and the United States had a negative impact on demand for paints and coatings for industry and the automotive sector, as well as on the use of films for labeling and packaging products. Nevertheless, a recovery in demand is to be noticed at the end of the year.

The ordinary profit before tax has strongly risen, from € 34 million to € 66 million, a 94% increase. As anticipated, the result was positively influenced by the acquisitions and a growth in volume. It should be noted that Taminco activities have been consolidated up to the end of September.

In Films, a decrease in the turnover for Cellophane was compensated by continued growth in the volumes of OPP. The Films business therefore ended the year with a slightly positive ordinary profit before tax (+ € 3 million).

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The **exceptional profit**, with a net balance of - € 3 million, includes a range of one-off items, of which the main ones are a write-back of depreciation on R&D costs, a net gain on the sale of Taminco and the integration costs for Surface Specialties.

Regarding **2004**, UCB is very confident about the favorable prospects for its results (at constant exchange rates), which will be influenced, on one hand by the growth in pharmaceutical specialties (Neurology and Allergy) and, on the other hand, by an increased contribution from synergies generated in the Surface Specialties Sector.

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