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Press release

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UCB Group preliminary full-year 2004 results:

Continued growth in a year of transformation Net Profit after tax increases by 6% (19% at constant exchange rates)

UCB's 2004 net profit after tax of € 362 million was up 6% in real terms (19% at constant exchange rates) under Belgian GAAP. This continued growth was achieved in a year of major transformation for UCB. Celltech was consolidated within UCB as of August 1st, 2004 and Surface Specialties over the whole year, except for the Films business which was consolidated for the first 9 months of 2004.

Roch Doliveux, CEO of UCB said: "2004 was an exciting year for UCB. We made a number of important strategic moves transforming the company from a hybrid industrial group into a pure biopharmaceutical leader, combining a unique research platform of small and large molecule with existing profitable and growing global commercial operations. UCB is now better prepared to face its future challenges with more opportunities at hand to fuel its growth. Our priorities for 2005 are to complete the transition to pure biopharmaceutical, to expand our base of marketed products and to advance the clinical development of our strong product pipeline".

UCB Group (in € million)	2004(*)	2003	Variation	
			In real terms	At constant exchange rates
Sales	3,068	2,966	+ 3%	+ 8%
EBITA (including royalties) (**)	506	487	+ 4%	+ 17%
Operating profit (EBIT)	483	487	- 1%	+ 13%
Ordinary profit	473	483	- 2%	+ 11%
Exceptional results	19	-4		
Profit before Tax	492	479	+ 3%	+ 15%
Net Profit after tax	362	340	+ 6%	+ 19%
(*) Unaudited figures				
(**) EBITA: Earnings before interest, tax and amortization				

Financial Highlights

- UCB Group sales of € 3,068 million were up 3% in real terms (+8% at constant exchange rates).
- At constant consolidation scope and excluding currency impact, sales grew 9% and ordinary profit 16%.
- **Ordinary profit** of € 473 million is down 2% in real terms (+11% at constant exchange rates) due to the US dollar weakness, the amortization of Celltech's goodwill and intangibles and the increase of financial charges to € 10 million.
- **Exceptional results** amount to € 19 million in 2004. This is the result of, on the one hand, a positive R&D write back of € 50 million (that will not be reflected under IFRS) and a capital gain on the sale of the Film business and, on the other hand, restructuring charges, including € 62 million related to Celltech's acquisition.
- **Earnings per share** reached € 2.48 in 2004, an increase of 6%.
- At year end, UCB's **net debt** was € 1.7 billion which will be significantly reduced with the proceeds of the sale of Surface Specialties.

UCB Biopharma

- After the successful integration of Celltech, UCB Biopharma's sales were € 1,679 million in 2004, an increase of 15%. Excluding Celltech, sales grew at 5% in real terms (10% at constant exchange rates).
- Revenue growth was largely driven by our **Central Nervous System** franchise, with *Keppra* sales of € 417 million, up 33% (+ 41% at constant exchange rates). In the US, *Keppra* sales rose 29% to € 270 million (+ 42% in US dollar) and 38% in Europe to € 139 million. *Keppra* increased its leadership position in the treatment of epilepsy among new antiepileptics in the US and narrowed the gap as strong number two in Europe. *Nootropil* resisted well against generic competition with sales of € 103 million.
- The **Allergy** franchise decreased marginally by 3% (+ 1% at constant exchange rates). In the US, total *Zyrtec* in-market sales reached \$ 1,287 million (- 4% compared with 2003) of which UCB consolidates € 236 million sales showing a 10% decrease due to a weakening US dollar. *Xyzal* reached € 104 million, more than double than the previous year. During the last quarter, *Xyzal* sales exceeded *Zyrtec*'s sales in Europe. Excluding currency impact, the increase of *Xyzal* sales more than compensates the decrease of *Zyrtec* sales globally.
- Sales from Celltech products, excluding royalties, reached € 144 million over the last 5 months. Celltech royalties contributed € 52 million. *Metadate*'s US prescriptions were up 20% YTD, gaining market share in the fast growing ADHD¹ market. *Tussionex* market share increased to 30% in YTD December 2004, in a market negatively impacted by a weak cough and cold season.

¹ ADHD: Attention-deficit/hyperactivity disorder

- EBITA for the Biopharma activity was up 1% (+15% at constant exchange rates) to € 402 million and included € 16 million positive contribution of Celltech business. The operating profit (EBIT) reached € 379 million, compared to € 397 million for the previous year, negatively impacted by € 23 million of Celltech goodwill and intangibles amortization and by the weakness of the US dollar.
- As expected, the contribution of Celltech to UCB's ordinary profit was neutral excluding amortization of goodwill and intangibles.

R&D

- Positive new advances in the field of **CNS** were noted in the second half of last year. The application for a new intravenous form of *Keppra* was filed in the US on December 20th and will be filed in Europe in March of 2005. When approved, *Keppra* will become the first new antiepileptic to have an intravenous form available for emergency treatment. The applications for extension of indications in children were submitted in the US and in Europe in December last year and were granted priority review by the FDA. The clinical programs for both *Keppra* monotherapy and *brivaracetam* were accelerated by several months. *Brivaracetam* showed superior efficacy in its Phase II study for patients with photoparoxystic epilepsy.
- In **Allergy**, *Xyzal* was granted the indication of Persistent Allergic Rhinitis. The new paediatric drop of *Xyzal* was approved and launched in Germany in January 2005. *Efletirizine* completed successfully its once a day proof of concept study.
- For **CDP 870**, UCB's strategy of introducing a liquid formulation on time into our profiling Phase III studies for Rheumatoid Arthritis was accepted by the FDA at the end of 2004. For Crohn's disease, the recruitment of patients in the two pivotal registration studies ended in November, two months earlier than expected. The response rates in the open phase of one of these studies are in line with those achieved by the only anti-TNF available on the market for the treatment of Crohn's disease.

Surface Specialties

- The sales of Surface Specialties reached € 1,387 million in 2004. Excluding Films (sold end September 2004), the sales of Surface Specialties increased to € 1,112 million (excluding methylamines sold in September 2003) from € 1,001 million in 2003.
- Thanks to the successful integration of Solutia's resins, additives & adhesives business acquired in February 2003, Surface Specialties' operating profit continues to grow. The EBITDA of the business to be sold to Cytec amounts to € 147 million excluding certain corporate expenses and non-recurring items. This result has been reached in spite of pressure on margins due to raw material cost increases, only partially offset by price increases in the latter part of the year.

- In order to reflect changes in the business performance in the second half of the year, UCB and Cytec have agreed to amend the financial terms of the previously announced sale of Surface Specialties business. The total price now amounts to € 1,415 million, including a contingent consideration of up to € 50 million, the other elements of the deal remaining unchanged. The closing is expected to take place at the end of this month.

IFRS

UCB is on track for its IFRS conversion and pro-forma 2004 figures will be announced on March 23rd 2005.

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About the UCB Group

UCB (www.ucb-group.com) is a global pharmaceutical and specialty chemical leader with headquarters in Brussels, Belgium. Through its Pharma division, the company is focused on innovative solutions for human healthcare. UCB Pharma is a global biopharma player, specialising in the fields of central nervous system disorders, allergy and respiratory disease, immune and inflammatory disorders and oncology. UCB Pharma's key products are Keppra® (antiepileptic), Xyzal® and Zyrtec® (antiallergics), Nootropil® (cerebral function regulator), Tussionex® (antitussive) and Metadate® (ADHD). UCB Pharma employs over 8,300 people operating in over 100 countries and in 2004 achieved sales of € 1,679 million. UCB is listed on Euronext Brussels and achieved sales of € 3,068 million and a net profit of € 362 million in 2004.

On October 1st, 2004, UCB announced the sale of its Surface Specialties business to be able to focus on its biopharmaceutical activities.

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Preliminary 2004 Belgian GAAP results are as follows:

UCB Group (in € million)	2004 (*)	2003	Variation	
			In real terms	At constant exchange rates
Sales	3,068	2,966	+ 3%	+ 8%
Biopharma	1,679	1,463		
<i>of which Celltech</i>	144	0		
Surface Specialties	1,387	1,501		
<i>of which Films</i>	275	362		
<i>of which Taminco</i>	0	138		
Non sectorial	3	2		
EBITA (**)	506	487	+ 4%	+ 17%
Biopharma	402	397		
<i>of which Celltech</i>	16	0		
Surface Specialties	100	91		
Non sectorial	4	-1		
Operating profit (EBIT)	483	487	- 1%	+ 13%
Biopharma	379	397		
<i>of which Celltech</i>	-7	0		
Surface Specialties	100	91		
Non sectorial	4	-1		
Net Financial costs	-10	-4		
Ordinary profit	473	483	- 2%	+ 11%
Biopharma	378	402		
<i>of which Celltech</i>	-18	0		
Surface Specialties	77	66		
<i>of which Films</i>	5	3		
<i>of which Taminco</i>	0	7		
Non sectorial	18	15		
Exceptional results	19	-4		
Biopharma	-34	29		
<i>of which Celltech</i>	-62	0		
Surface Specialties	54	-33		
Non sectorial	-1	0		
Profit before taxes	492	479	+ 3%	+ 15%
Tax	-130	-139		
Net profit after tax	362	340	+ 6%	+ 19%
Earning per share	2.48	2.33	+ 6%	+ 19%
(*) Unaudited figures				
(**) EBITA: Earnings before interest, tax and amortization				

Keppra Sales (in € million)	2004	2003	Variation	
			In real terms	At constant exchange rates
USA	270	209	+ 29%	+ 42%
Europe	139	100	+ 38%	+ 38%
ROW	8	5		
TOTAL TURNOVER	417	314	+ 33%	+ 41%

Allergy Franchise Sales (*) (in € million)	UCB + Licensees		UCB consolidates		Variation	
	2004	2003	2004	2003	In real terms	At constant exchange rates
USA	1,035	1,183	236	262	-10%	- 1%
Europe	313	268	238	227	+ 5%	+ 5%
Japan	115	136	119	127	-6%	- 3%
ROW	89	87	56	54		
TOTAL TURNOVER	1,551	1,674	649	670	-3%	+ 1%
Pfizer royalties (**)			132	145		

(*) UCB's Allergy franchise includes Xyzal and Zyrtec/Cirrus

(**) Booked in UCB's P&L under "Other operating Income"