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News
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UCB in 2012: New Core Medicines Drive Growth

- Revenue in 2012 increased by 7%[1] to EUR 3 462 million. Cimzia® (+50%), Vimpat® (+53%) and Neupro® (+40%) went up to combined net sales of EUR 934 million (+49%). Keppra® went down by 13% to 838 million
- Underlying profitability (recurring EBITDA) reached EUR 655 million (-5%) due to high R&D expenses of EUR 890 million (+14%) driven by the late-stage pipeline while net profit increased by 6% to EUR 252 million due to lower non-recurring expenses. Core earnings per share were EUR 2.14
- Gross dividend of EUR 1.02 per share (+2%) recommended by Board of Directors
- R&D highlights: Cimzia® and Neupro® approved in Japan; Cimzia® filed for PsA and axSpA in U.S. and EU; new phase 3 clinical trial with Vimpat® in Asia; *romosozumab* in post-menopausal osteoporosis in phase 3.
- Financial outlook 2013: revenue expected to grow by a low-single-digit percent excluding exchange rate impacts to approximately EUR 3.4 billion; recurring EBITDA between approximately EUR 680-710 million and corresponding core earnings per share are expected in the range of EUR 1.90 - 2.05.

Brussels (Belgium), 27 February 2013 – 7:00 AM (CET) - regulated information - UCB announced today its consolidated 2012 financial results.

"In 2012 we completed UCB's transformation into a patient-centric biopharmaceutical company. We now expect company growth for many years, driven by UCB core medicines, emerging markets and new breakthrough solutions for patients," said Roch Doliveux, Chief Executive Officer of UCB. "During 2012, UCB reached the 'crossover point' where the net sales of our new core medicines Cimzia®, Vimpat® and Neupro® achieved combined net sales of EUR 934 million, up 49%, and exceeding those of Keppra®, UCB's leading medicine for many years."

Financial performance in 2012

Revenue 2012 increased by 7% to EUR 3 462 million, at constant exchange rates the increase was 2%. Net sales amounted to EUR 3 070 million or 7% higher than in 2011 (+2% at constant exchange rates) because of the strong performance of the core medicines Cimzia® (*certolizumab pegol*), Vimpat® (*lacosamide)* and Neupro® (*rotigotine*) as well as E Keppra® (*levetiracetam*) in Japan.

Cimzia® for rheumatoid arthritis (RA) and Crohn's disease (CD) increased net sales to EUR 467 million (+50% or 41% at constant exchange rates). Net sales of the anti-epileptic medicine Vimpat® (*lacosamide)* went up to EUR 334 million (+53%; 44% at constant rates). Neupro® (*rotigotine*), a patch for Parkinson's disease and restless legs

[1] Variance at actual rates versus 2011

syndrome had net sales increasing by 40% to EUR 133 million (+38% at constant exchange rates).

The anti-epileptic medicine Keppra® (*levetiracetam*) reached net sales of EUR 838 million which is 13% lower than last year (-16% at constant rates). The continued post-exclusivity expiry erosion in Europe (-28%) and the stable situation in North America (+4%; -4% at constant rates) was partially compensated by strong growth in 'Rest of World' with net sales of EUR 152 million, an increase by 40% (+32% at constant rates) especially E Keppra® in Japan (EUR 47 million, up from EUR 18 million in 2011).

Royalty income & fees amounted to EUR 168 million (-10%) due to expiry of patents. Other revenue in 2012 increased to EUR 224 million (+23%) mainly thanks to the milestone payments received upon the approval of Cimzia® and Neupro® in Japan in December 2012.

Gross profit of EUR 2 378 million is 6% (+1% at constant rates) higher than in 2011 following the increase of net sales. Total operating expenses reached EUR 1 963 million, +9% (+5% at constant rates) compared to last year, reflecting higher marketing & selling expenses driven by the launch of Neupro® in the U.S. in July 2012 and the launch preparation of Cimzia® in Japan as well as 14% increase in research & development expenses reflecting an advanced late-stage pipeline with three projects in the last development phase. General & administrative expenses were EUR 198 million (+4%).

As a result, underlying profitability -recurring EBITDA- is 5% lower than last year, reaching EUR 655 million, reflecting the high research & development expenses. Also recurring EBIT is down 5% to EUR 415 million.

Total non-recurring expenses amounted to EUR 26 million, after EUR 91 million in 2011. In 2011, the main components were an impairment charge, restructuring expenses and expenses in connection with amendment of the *epratuzumab* license agreement.

Net financial expenses were EUR 147 million (+29%) due to one-off effects. Non-recurring items lead to income tax expenses of EUR 7 million after EUR 9 million in 2011. The average tax rate on recurring activities is 7% in 2012 compared to 30% in the same period of last year. The effective tax rate remains low due to the continued recognition of tax losses.

Net profit reached EUR 252 million after EUR 238 million in 2011. Core earnings per share, which reflect the after tax effects of non-recurring items, financial one-offs and amortization of intangibles, reached EUR 2.14 based on 179.3 million weighted average shares outstanding in December 2012 from EUR 1.91 based on 178.5 million shares in 2011.

Dividend

In-line with UCB's stable dividend policy, which considers the long-term potential of UCB, the Board of Directors recommends a gross dividend of EUR 1.02 per share (+2%).

R&D update central nervous system (CNS)

In November, UCB started a new phase 3 clinical trial of Vimpat® in Asia as adjunctive therapy in adult patients with partial-onset seizures. Initial results from this phase 3 study are expected in the first half of 2015.

Neupro® received U.S. regulatory approval in April. Since July 2012, the room temperature stable patch is available in the U.S. for early and advanced Parkinson’s

disease (PD) as well as restless legs syndrome (RLS). In August, the room temperature stable patch was approved in the European Union for early and advanced PD as well as RLS. In December, Neupro® was approved in Japan for PD and RLS. UCB's CNS partner in Japan, Otsuka Pharmaceutical has the exclusive rights for developing and marketing Neupro®.

The phase 3 study evaluating *brivaracetam* as adjunctive therapy for the treatment of partial onset seizures in adults with epilepsy is on-going. Enrolment to this trial is below plan due to external (less clinical trial patients due to new launches) and design (patients currently on *levetiracetam* excluded) reasons. First results are now expected in H2 2014. Brivaracetam presents an opportunity to further extend UCB's leadership within epilepsy by providing new and better treatment for this challenging disease.

The further development of UCB0942, a new drug candidate with an innovative mechanism of action for the treatment of drug refractory epilepsy, will not continue.

All other clinical development projects in CNS are on track: Vimpat® for monotherapy in the U.S. and the EU as well as paediatric adjunctive therapy.

R&D update immunology

In December, Cimzia® was approved in Japan for the treatment of adult patients with rheumatoid arthritis. By the end of 2012, UCB submitted two new regulatory filings to the U.S. and EU regulatory agencies to extend the marketing authorization for Cimzia® for the treatment of active psoriatic arthritis and active axial spondyloarthritis. The regulatory filings for two new indications have been accepted and are now under review by both agencies.

Expanding its pipeline, UCB initiated a phase 1 study to assess the new mechanism of action UCB4940, as a new option for the treatment of immunological diseases.

The other clinical development projects in immunology, Cimzia® Exxelerate™ and C-Early™, the phase 3 programs *romosozumab* in post-menopausal osteoporosis (PMO) and *epratuzumab* in systemic lupus erythematosus (SLE) but also CDP7657 in SLE in phase 1 are advancing.

Decisions were made to focus and optimize resources providing superior and sustainable value for patients and payers: In September 2012, top-line phase 2 results for *olokizumab* in rheumatoid arthritis demonstrated a significant reduction in the disease activity score at week 12. However, data do not suggest sufficient differentiation potential. UCB does not progress the program into phase 3 and is now exploring options including partnering.
In February 2013, UCB and its partner, Amgen Inc., announced to not pursue a phase 3 clinical trial program for CDP7851/AMG 785 in acceleration of fracture healing based on the evaluation of currently available phase 2 results from accelerated fracture healing studies and general regulatory guidance on fracture healing programs. UCB continues to focus on the ongoing phase 3 program in PMO. The program level decision on acceleration of fracture healing does not alter either organization's commitment to the ongoing program in PMO.

Outlook 2013

UCB expects its financial results in 2013 to be driven by the continued growth of Cimzia®, Vimpat®, Neupro® and emerging markets, partially offset by post-exclusivity erosion for Keppra®. Revenue 2013 is anticipated to grow by a low-single-digit percent excluding

exchange rate impacts to approximately EUR 3.4 billion. Recurring EBITDA is expected between approximately EUR 680-710 million. Core earnings per share are expected in the corresponding range of EUR 1.90 – 2.05 based on 179.3 million shares outstanding.

2012 – Financial highlights

A full financial report on the consolidated results is available on the UCB website:
http://www.ucb.com/investors/financials/Financials-2012

€ million	2012	2011	Actual rates	Cst rates
Revenue	**3 462**	**3 246**	**7%**	**2%**
Net sales	3 070	2 786	7%	2%
Royalty income and fees	168	187	-10%	-14%
Other revenue	224	183	23%	18%
Gross profit	**2 378**	**2 233**	**6%**	**1%**
Marketing and selling expenses	-875	-837	5%	0%
Research and development expenses	-890	-778	14%	10%
General and administrative expenses	-198	-191	4%	2%
Other operating income/expenses (-)	0	12	-96%	-92%
Recurring EBIT (REBIT)	**415**	**439**	**-5%**	**-16%**
Non-recurring income/expenses (-)	-26	-91	-71%	-72%
EBIT (operating profit)	**389**	**348**	**12%**	**-1%**
Net financial expenses	-147	-115	29%	28%
Profit before income taxes	**242**	**233**	**3%**	**-16%**
Income tax expenses (-)/credit	-7	-9	-30%	-2%
Profit from continuing operations	**235**	**224**	5%	-16%
Profit from discontinuing operations	17	14	21%	20%
Net profit of the Group	**252**	**238**	**8%**	**-14%**
Recurring EBITDA	**655**	**687**	**-5%**	**-12%**
Total liabilities and shareholder equity	9 360	9 176	2%	n.a.
Total equity	4 593	4 701	-2%	n.a.
Net financial debt	1 766	1 548	14%	n.a.
Capital expenditures (including intangible assets)	221	137	61%	n.a.
Cash flow generated by operating activities	355	292	21%	n.a.
Cash flow used in investing activities	-266	-131	103%	n.a.
Cash flow used in financing activities	-27	-387	n.a.	n.a.
Weighted average number of shares - non-diluted	**179.3**	**178.5**	**0%**	**n.a.**
Basic EPS (€ per weighted average shares – non diluted)	**1.43**	**1.34**	7%	-15%
Core EPS (€ per weighted average shares – non diluted)	**2.14**	**1.91**	**12%**	**-4%**

2012 consolidated financial statements are the first financial statements in which the Group has early adopted IAS 19R. Consequently, the figures for 2011 have been restated as if IAS 19R had always been applied.

"The statutory auditor has issued an unqualified opinion dated 26 February 2013 on the company's consolidated financial statements as of and for the year ended 31 December 2012, and has confirmed that the accounting data reported in this press release are consistent, in all material respects, with the accounts from which they have been derived."

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27 February 2013 at 14.00 (CET) – Analysts' and investors' meeting in London/ Webcast
Link to the webcast available on http://www.ucb.com/investors/financials/Financials-2012
Conference call dial-in phone numbers:
+44 (0)207 750 9926 (UK)
+33 (0)1 72 04 00 33 (France)

+1 914 885 0779 (US)
+32 (0)2 404 03 05 (Belgium)
and enter PIN code: 128504#

About UCB
UCB, Brussels, Belgium (www.ucb.com) is a global biopharmaceutical company focused on the discovery and development of innovative medicines and solutions to transform the lives of people living with severe diseases of the immune system or of the central nervous system. With 9000 people in approximately 40 countries, the company generated revenue of EUR 3.4 billion in 2012. UCB is listed on Euronext Brussels (symbol: UCB).

Forward looking statements
This press release contains forward-looking statements based on current plans, estimates and beliefs of management. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including estimates of revenues, operating margins, capital expenditures, cash, other financial information, expected legal, political, regulatory or clinical results and other such estimates and results. By their nature, such forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions which could cause actual results to differ materially from those that may be implied by such forward-looking statements contained in this press release. Important factors that could result in such differences include: changes in general economic, business and competitive conditions, the inability to obtain necessary regulatory approvals or to obtain them on acceptable terms, costs associated with research and development, changes in the prospects for products in the pipeline or under development by UCB, effects of future judicial decisions or governmental investigations, product liability claims, challenges to patent protection for products or product candidates, changes in laws or regulations, exchange rate fluctuations, changes or uncertainties in tax laws or the administration of such laws and hiring and retention of its employees. UCB is providing this information as of the date of this press release and expressly disclaims any duty to update any information contained in this press release, either to confirm the actual results or to report a change in its expectations.

There is no guarantee that new product candidates in the pipeline will progress to product approval or that new indications for existing products will be developed and approved. Products or potential products which are the subject of partnerships, joint ventures or licensing collaborations may be subject to differences between the partners. Also, UCB or others could discover safety, side effects or manufacturing problems with its products after they are marketed.

Moreover, sales may be impacted by international and domestic trends toward managed care and health care cost containment and the reimbursement policies imposed by third-party payers as well as legislation affecting biopharmaceutical pricing and reimbursement.