



Novasep confirms 2011 full-year unaudited results in line with guidance and strong balance-sheet deleverage

Pompey, France, May 8, 2012: Novasep, a leading supplier of manufacturing solutions to the Life Science industries, today announces its preliminary unaudited consolidated full-year results for the period ended December 31, 2011.

Successful balance-sheet restructuring

Novasep signed an agreement with its stakeholders on December 14, 2011 and completed its financial restructuring on March 15, 2012.

This restructuring significantly strengthened the balance sheet, as shown on the following unaudited and pro forma December 31, 2011 balance sheet drawn up as if the completion of the financial restructuring had taken place on December 31, 2011.

With the net debt burden reduced from €366 million to €133 million and €46 million in available cash as presented in the following pro forma balance sheet, Novasep has recovered the means compatible with its operations.

ASSETS	2010	2011	LIABILITIES	2010	2011
	<i>Audited</i>	<i>Unaudited Pro forma</i>		<i>Audited</i>	<i>Unaudited Pro forma</i>
Cash	40	46	Others	41	24
Others	17	18	Account Payables	48	43
Accounts Receivables	55	32	Debt (leasing & others)	10	30
Inventories	46	42	Provisions	3	2
Total Current Assets	158	137	Total Current Liabilities	101	99
Others	15	3	Debt (HYB)	395	148
Tangible Assets	215	138	Provisions	0	1
Intangible Assets	73	41	Pensions	12	13
Goodwill	114	56			
Total Non Current Assets	418	237	Total Non Current Liabilities	408	162
			Equity	66	113
Total Assets	576	375	Total Liabilities + Equity	576	375
			Total Net Debt	366	133

2011 pro forma Balance Sheet

Additionally, this drastic debt reduction allowed cash interest expenses to decrease from €40 million per year to €12 million per year.

2011 full-year results (unaudited)

In 2011 Novasep achieved results in line with the guidance provided at the last earnings release with sales decreasing by 2.2% compared to 2010.

<i>In €m</i>	2011	2010	Change (%)
Revenue	295	301.6	(2.2)
Adjusted EBITDA	38.1	55.2	(31)
Margin	12.9%	18.3%	
Net Capex	(12.6)	(18.2)	(31)
Working Capital variations	3.6	13.6	(74)
Gross operating cash flow	7.0	37.2	(81)

In 2011, the Process segment generated 41% of group sales (vs. 30% in 2010).

Adjusted EBITDA was €38.1 million, compared to €55.2 million the previous year. The Adjusted EBITDA margin decreased to 12.9% of sales, compared to 18.3% in 2010. The decline in the EBITDA margin is the result of:

- the change in the sales mix with Synthesis segment revenue (with a high margin on the cost of raw materials) being replaced by Process systems & equipment revenue (with a lower margin on the cost of raw materials)
- ≈ €13 million negative impact of the new contractual terms of the Gilead supply.

In addition, during 2011 the Company reduced fixed costs by a net €3.2 million (comprising a €5.6 million decrease in the Synthesis segment, a €2.4 million increase in the Process segment associated with the higher activity).

For FY 2011, gross operating cash flow was €7.0 million compared to €37.2 the previous year, as a consequence of restructuring costs related to operations (≈ €9.9 million) and the financial restructuring (≈ €11.3 million as of December 31, 2011) despite low capital expenditure (≈ €12.6 million) and a successful management of working capital (variation ≈ €3.6 million).

2012 outlook

Novasep's management is working on short and medium-term development initiatives aimed at restoring medium-term growth and profitability.

Year 2012 is going to be a transitional year, for which management doesn't anticipate any major positive or negative changes in Sales.

Next publications

Management is working on the completion of the 2011 audited consolidated financial statements and will come back at the end of May with a full package including the 2011 Report as well as the YTD Q1 2012 audited consolidated accounts and report which will include the impact of the completion of the financial restructuring and recapitalization. An investor conference call including a management discussion will be organized.

About Novasep: www.novasep.com

Novasep is a leading worldwide provider of integrated manufacturing solutions for Life Science industries. Novasep develops, markets and operates innovative technologies from lab to industrial scale to produce biomolecules and synthetic molecules for the pharmaceutical, biopharmaceutical, agrochemical, fine chemical and industrial biotechnology markets. Headquartered in Pompey, France, Novasep has six FDA-inspected manufacturing plants in France, Germany and the Bahamas, two biopharmaceutical production sites in Belgium, R&D and equipment manufacturing facilities in the USA, China and France, and an office in Japan. Novasep operates through two business lines: Novasep Synthesis, which uses a large range of chemical synthesis and purification technologies to develop and produce high value-adding active ingredients and advanced intermediates for the pharmaceutical, crop science and other fine chemical industries; and Novasep Process, which supplies innovative purification processes, equipment and systems for the pharmaceutical, biopharmaceutical and industrial biotechnology industries and provides contract manufacturing services for biopharmaceuticals.

Contacts**NewCap.****Investor Relations**

Axelle Vuillermet / Emmanuel Huynh

Tel.: +33 1 44 71 94 93

Email: novasep@newcap.fr

***Next financial press release: Q4 2011 results and YTD Q1 2012 results
May 31st, 2012, after market close***

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