



Revenue at September 30, 2020

Activity at constant exchange rates in line with the end-2020 objectives

- › -9.1% at constant exchange rates (CER)* at €548.3 million
- › -11.2% at current exchange rates at €536.0 million

Gradual upturn in activity in the third quarter, particularly in Asia and Europe

Villepinte, October 22, 2020 – Guerbet (FR0000032526), a global specialist in contrast agents and solutions for medical imaging, has announced its revenue for the first nine months of its 2020 financial year.

At September 30, 2020, reported revenue was €536.0 million, an 11.2% decrease from the same period last year, including a significant negative forex impact of €12.3 million. Revenue at constant exchange rates (CER) totaled €548.3 million over the first nine months. This figure is consistent with the Group’s expectations, down 9.1%.

Consolidated Group revenue (IFRS)

In millions of euros, at September 30, 2020	Change (%)	2020 at current exchange rates	Change (%)	2020 at constant exchange rates*	Reported 2019
Sales in Europe	-16.6%	212.7	-16.4%	213.2	255.0
Sales in Other Markets	-7.2%	323.3	-3.8%	335.1	348.5
Total	-11.2%	536.0	-9.1%	548.3	603.5

After a second quarter down 17.8% from 2019, revenue at constant exchange rates for the third quarter totaled €181.3 million, down 10.7%, reflecting an upturn in activity. The negative forex impact over the quarter was €8.9 million.

Press release

In millions of euros, July 1 to September 30, 2020	Change (%)	Q3 2020 at current exchange rates	Change (%)	Q3 2020 at constant exchange rates*	Reported Q3 2019
Sales in Europe	-6.5%	73.8	-5.7%	74.5	79.0
Sales in Other Markets	-20.5%	98.6	-13.8%	106.8	123.9
Total	-15.1%	172.4	-10.7%	181.3	202.9

Gradual upturn in activity during third quarter in line with expectation

As previously reported, the postponement of non-essential radiological examinations and procedures by radiologists, combined with spontaneous cancellations by some patients and reduced performance in services due to the increase in longer disinfection and protection measures due to COVID-19, continue to affect MRI activity and, to a lesser extent, CT/Cath Lab activity. Although still erratic, the upturn in activity is at hand.

In Asia, activity remains strong, with volumes rising steadily. Cumulative revenue at constant exchange rates increased by nearly 10%.

In Europe, the Group's activity improved significantly during the third quarter with revenue down only 6.5% and stable volumes over the period. As a reminder, sales in Europe for the first half of the year were down 21.1%. At September 30, cumulative revenue at current exchange rates was €212.7 million (-16.6%).

In the Americas, sales at CER during third quarter were down more than 20%. This decrease is explained by a negative volume effect for the region resulting from the decline in activity due to the health crisis, particularly in Latin America, as well as the shutdown of the subcontracting activity following the sale of the Montreal plant in Canada in July 2020. Excluding the subcontracting effect, the decrease in North America was slightly less than 15% at CER. The Group also incurred a negative forex effect of nearly €7.0 million over the third quarter in the region, mainly due to exchange rate fluctuations in Brazil and the US.

At September 30, excluding the negative forex effect of €10.9 million, cumulative revenue at CER in the Americas amounted to €181.4 million (-12.6% compared with the same period last year).

An analysis of the activity over the first nine months of the financial year shows:

Diagnostic Imaging revenue totaled €462.5 million, compared with €533.5 million at September 30, 2019, down 13.3% (-11.1% at CER). The main reason for this decrease was the impact of the health crisis following the lockdown measures in most countries.

Press release

- **MRI** sales decreased 18.3% (-17.2% at CER) to €168.3 million. During third quarter activity started to pick up, the decrease being only 14.4% at CER versus prior year.
- **CT/Cath Lab** revenue was down 10.6% at €290.5 million, with volumes down across all products in the range except Xenetix®. Revenue at CER was €300.4 million (-7.6%) at the end of September 2020.

Interventional Imaging continued to be driven by Lipiodol® sales. Its nine-month revenue totaled €53.6 million, stable at +0.6% (+0.9% at CER) compared with €53.3 million in the same period in 2019.

2020 outlook

The future of the health situation remains uncertain, and the gradual upturn in activity is still inconsistent. Despite these conditions, Guerbet is maintaining the objectives reported with its half-year results.

In the coming months, the Group's activity is expected to be affected by the initial sales of the generic of Dotarem® in the United States. The Group believes that the impact will be moderate in Dotarem® with volumes and prices changes comparable with Europe, where the generic has already been available for more than two years. Moreover, Guerbet should continue to benefit from the good performance of Lipiodol® and the strength of Xenetix® and Optiray®.

Given the impact of the generic and against the backdrop of a stabilized health crisis with normal operation of the healthcare system, the Group expects second-half revenue to be largely comparable with the first-half revenue, down 12% compared with 2019 at constant exchange rates. On this basis, the Group expects EBITDA for the 2020 financial year to be around 14% of revenue.

Lastly, the Group is confident that it can lower its level of structural costs for the long term with expectations of a very favorable impact on profitability once business is back to normal.

() At constant exchange rates: amounts and rates of growth are calculated by canceling out the exchange rate effect, which is defined as the difference between the indicator's value for period N, converted at the exchange rate for period N-1, and the indicator's value for period N-1.*

Upcoming events:

Publication of 2020 annual revenue
February 11, 2021, after trading

Press release

About Guerbet

Guerbet is a leader in medical imaging worldwide, offering a comprehensive range of pharmaceutical products, medical devices, and digital and AI solutions for diagnostic and interventional imaging to improve patient diagnosis and treatment. A pioneer in contrast media for more than 90 years, with more than 2,800 employees worldwide, Guerbet continuously innovates and devotes 9% of its sales to research and development in four centers in France, Israel, and the United States. Guerbet (GBT) is listed on Euronext Paris (segment B – mid caps) and generated €817 million in revenue in 2019. For more information about Guerbet, please visit (www.guerbet.com).

Forward-looking statements

Certain information contained in this press release does not reflect historical data but constitutes forward-looking statements. These forward-looking statements are based on estimates, forecasts, and assumptions, including but not limited to assumptions about the current and future strategy of the Group and the economic environment in which the Group operates. They involve known and unknown risks, uncertainties, and other factors that may result in a significant difference between the Group's actual performance and results and those presented explicitly or implicitly by these forward-looking statements.

These forward-looking statements are valid only as of the date of this press release, and the Group expressly disclaims any obligation or commitment to publish an update or revision of the forward-looking statements contained in this press release to reflect changes in their underlying assumptions, events, conditions, or circumstances. The forward-looking statements contained in this press release are for illustrative purposes only. Forward-looking statements and information are not guarantees of future performance and are subject to risks and uncertainties that are difficult to predict and are generally beyond the Group's control. These risks and uncertainties include but are not limited to the uncertainties inherent in research and development, future clinical data and analyses (including after a marketing authorization is granted), decisions by regulatory authorities (such as the US Food and Drug Administration or the European Medicines Agency) regarding whether and when to approve any application for a drug, process, or biological product filed for any such product candidates, as well as their decisions regarding labeling and other factors that may affect the availability or commercial potential of such product candidates. A detailed description of the risks and uncertainties related to the Group's businesses can be found in Chapter 4.8 "Management and risk factors" of the Group's Universal Registration Document filed with the AMF (French financial markets authority) under number D-20-0369 on April 28, 2020, available on the Group's website (www.guerbet.com).

For more information about Guerbet, please visit www.guerbet.com

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