

The next generation biopharma leader

Interim Report 2007

UCB

Analysts' and Investors'
Presentation



Dominic, age 8, living with epilepsy



July 26, 2007

Disclaimer and Safe Harbour

Forward-looking statements:

This presentation includes “forward-looking statements” relating to UCB and Schwarz Pharma that are subject to known and unknown risks and uncertainties, many of which are outside of UCB’s and Schwarz Pharma’s control and are difficult to predict, that may cause actual results to differ materially from any future results expressed or implied from the forward-looking statements. In this presentation, the words “anticipates,” “believes,” “estimates,” “seeks,” “expects,” “plans,” “intends” and similar expressions, as they relate to UCB or Schwarz Pharma, are intended to identify forward-looking statements. Important factors that could cause actual results to differ materially from such expectations include, without limitation: the inability to obtain necessary regulatory approvals or to obtain them on acceptable terms; the inability to integrate successfully Schwarz Pharma within UCB or to realize synergies from such integration following the acquisition; costs related to the acquisition of Schwarz Pharma; the economic environment of the industries in which UCB and Schwarz Pharma operate; costs associated with research and development; changes in the prospects for products in the pipeline or under development by UCB or Schwarz Pharma; dependence on the existing management of UCB and Schwarz Pharma; changes or uncertainties in Belgian or German tax laws or the administration of such laws; changes or uncertainties in the laws or regulations applicable to the markets in which UCB and Schwarz Pharma operate. All written and oral forward-looking statements attributable to UCB or Schwarz Pharma or persons acting on either of their behalf are expressly qualified in their entirety by the cautionary statements above. Neither UCB nor Schwarz Pharma intend, or undertake any obligation, to update these forward-looking statements.



Agenda

- ▶ UCB Interim Report 2007
 - Luc Missorten, CFO, UCB
- ▶ R&D Update
 - Melanie Lee, Executive Vice President, R&D, UCB
 - Iris Loew-Friedrich, Senior Vice President Development, UCB
- ▶ Integration update
 - Detlef Thielgen, CEO Schwarz Pharma
- ▶ Strategy - Outlook 2007
 - Roch Doliveux, CEO, UCB



UCB – Interim Report 2007*



Luc Missorten

Executive Vice President

Chief Financial Officer, UCB

- ▶ H1 2007 financial highlights
- ▶ Profit and loss account
- ▶ Balance sheet
- ▶ Cash flow



**Full consolidation of UCB and Schwarz Pharma - Comparison of reported H1 2007 versus pro-forma H1 2006 figures*

Financial highlights H1 2007

5

the next generation biopharma leader July 26, 2007

- ▶ Net sales up by 6%* (10% at constant rates and 14% on a like for like basis) mainly driven by strong performance of Keppra® € 498 million (up 36%) and Xyzal® € 104 million (up 18%)
- ▶ Revenue € 1 861 million up 3%* (7% at constant rates)
- ▶ Recurring EBITDA of € 485 million (up 14%*)
- ▶ EBIT of € 306 million (down 31%*) impacted by
 - Acquisition related one-time non-cash inventory step up of € 94 million
 - Acquisition related incremental amortisation expenses of € 13 million
 - Initial integration expenses of € 43 million
 - Capital gains of € 47 million
- ▶ Net profit € 171 million (down 39%*) further impacted by acquisition related one-time expenses and financial charges
- ▶ Net profit adjusted for one-time charges amounts to € 224 million (up 1%*), with operating performance more than compensating the incremental acquisition related financial expenses and intangible expenses



**H1 2007 reported against pro forma H1 2006*

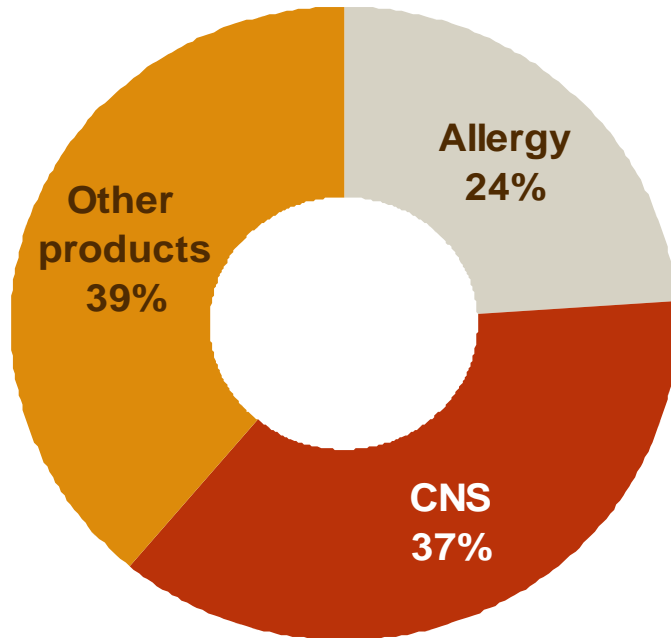
H1 2007 – Net sales - Therapeutic areas

Growing CNS franchise

6

UCB H1 2007 Net sales

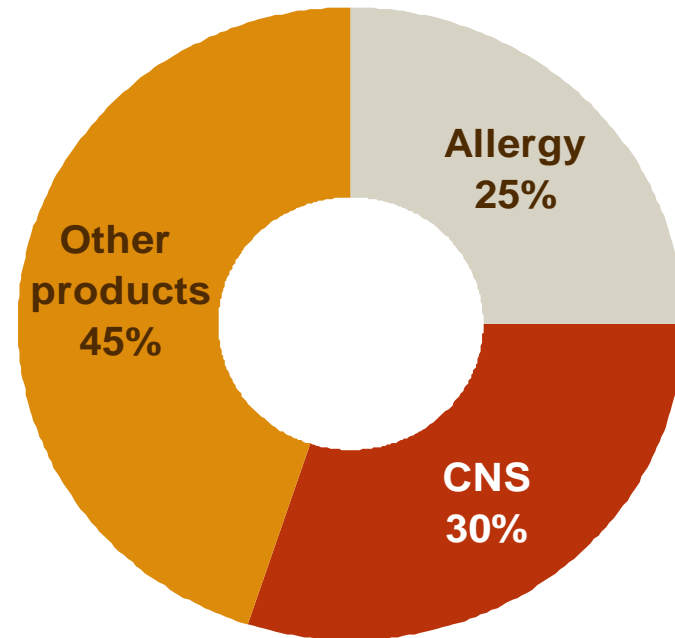
€1 709 million



Pro Forma H1 2006 Net sales

€1 617 million

up 6%



Products included in CNS franchise:

Keppra[®], Metadate[™]/Equasym[™], Nootropil[®], Neupro[®], Atarax[®], Xyrem[®]

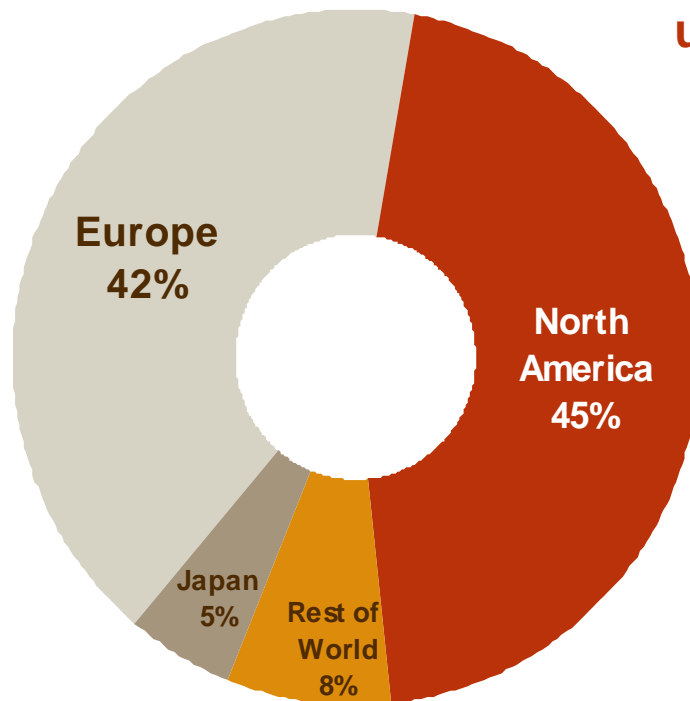


H1 2007 - Net sales - Geography

Geographic diversification

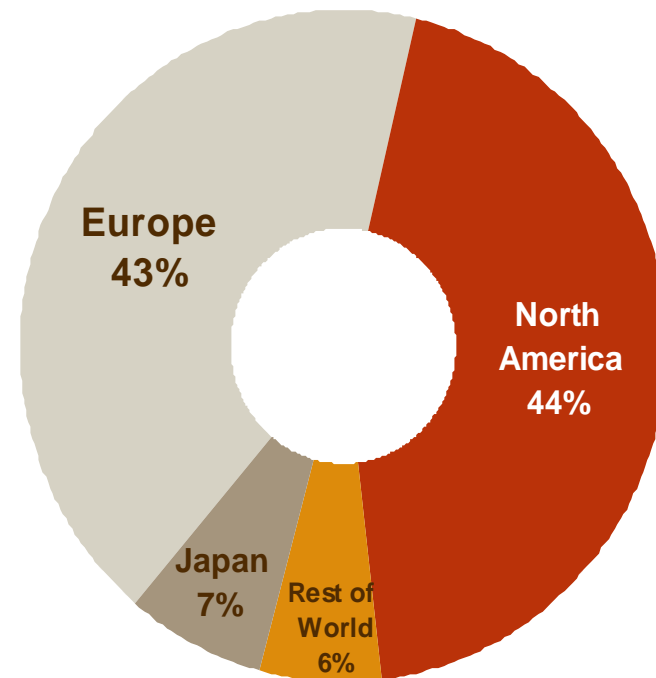
UCB H1 2007 Net sales

€1 709 million



Pro Forma H1 2006 Net sales

€1 617 million



up 6%



UCB Top selling products & newcomers H1 2007

A strong foundation

8

the next generation biopharma leader July 26, 2007

Million €	H1 2007	YTD Change* Real rates	YTD Change* Constant rates
<i>Top Sellers</i>			
Keppra®	498	+36%	+44%
Zyrtec® (incl. D/Cirrus)	298	-6%	+1%
Xyzal®	104	+18%	+20%
omeprazole	88	-11%	-4%
Tussionex™	54	+14%	+23%
<i>New products launched</i>			
Neupro®	17	>500%	>500%
Total net sales	1 709	+6%	+10% **



*H1 2007 reported against pro forma H1 2006

** up 14% on a like for like basis

UCB Recurring EBITDA

UCB (IAS / IFRS, € million)	H1 2007	pro forma H1 2006	Change in %
Revenue	1 861	1 806	3%
Net sales	1 709	1 617	6%*
Royalty income & fees	152	189	-19%
Gross profit**	1 303	1 353	-4%
Marketing & Selling expenses	(529)	(526)	↑1%
Research & Development expenses	(374)	(404)	↓7%
General & Administrative expenses	(135)	(150)	↓10%
Other operating income	47	84	-44%
Recurring EBIT	312	357	-13%
Excluding inventory step up	406		14%
Amortization of intangible assets	43	32	
Depreciation charges	36	37	
One-time inventory step up	94		
Recurring EBITDA	485	427	14%***



* +10% at constant exchange rate and +14% on a like for like basis
 ** after acquisition related inventory step up and incremental amortization expenses
 *** +22% at constant exchange rates

UCB Net profit

10

the next generation biopharma leader July 26, 2007

UCB <i>(IAS / IFRS, € million)</i>	Reported H1 2007	pro forma H1 2006	Change in %
Recurring EBIT	312	357	-13%
Restructuring & Integration expenses	(43)	(14)	
Other income/ expenses	37	101	
EBIT (Operating profit)	306	445	-31%
Financial expense	(77)	(21)	
Income tax expense	(61)	(145)	
Net Profit *	171	279	-39%
Adjusted Net Profit **	224	223	+1%



* after minority interest
 **adjusted for after tax impact of non-recurring items and acquisition related inventory step-up

UCB Balance sheet

€ million	H1 2007	FY 2006
Non current assets	7 916	8 246
Intangible assets	2 479	2 528
Goodwill	4 330	4 372
Other non-current assets	1 107	1 346
Current assets	1 919	2 349
Total assets	9 835	10 595
Shareholders' equity	4 713	4 774
Capital and reserves	4 345	4 206
Profit for the period (incl. gains on asset sales)	171	367
Minority interests	197	201
Non current liabilities	3 477	4 196
Current liabilities	1 645	1 625
Total liabilities and shareholder's equity	9 835	10 595

UCB Cash flow

12

the next generation biopharma leader July 26, 2007

€ million	Reported H1 2007	Reported H1 2006
Net profit	171	237
Non cash items	41	(16)
Change in working capital	(6)	(54)
Cash flow from operating activities	206	167
Cash flow from investing activities	(10)	181
of which tangible fixed assets purchase	(120)	(21)
of which related to Schwarz Pharma acquisition	(134)	
of which divestments	259	239
Free cash flow from continuing operations	196	348
Cash flow from financing activities	(590)	(108)

€ million	30.06.2007	31.12.2006
Net debt	2 073	2 111
<i>Liquid assets</i>	(587)	(1 003)
<i>Financial debt</i>	2 660	3 114



Agenda

- ▶ UCB Interim Report 2007
 - Luc Missorten, CFO, UCB
- ▶ R&D Update
 - Melanie Lee, Executive Vice President, R&D, UCB
 - Iris Loew-Friedrich, Senior Vice President Development, UCB
- ▶ Integration update
 - Detlef Thielgen, CEO Schwarz Pharma
- ▶ Strategy - Outlook 2007
 - Roch Doliveux, CEO, UCB



R&D update



Melanie Lee

*Executive Vice President,
R&D, UCB*

▶ UCB's unique R&D strategy

R&D Focus

Preparing for breakthrough

15

the next generation biopharma leader July 26, 2007

- ▶ Strength of combined UCB and Schwarz Pharma pipelines delivers:
 - One of the strongest portfolios in the sector
 - 12 novel compounds targeting 18 severe indications
- ▶ Focused Research Centres
 - Based on a strong understanding of selected therapeutic areas and disease mechanisms
- ▶ Technology breaks new ground E.g. A2Hit
- ▶ New projects advance towards Development
- ▶ Strong investment in R&D supports long-term growth

Connecting science in new ways, notably chemistry and biology, to leverage the potential of these two disciplines



Rich R&D pipeline

Phase I	Phase II	Phase III	Filed/Approved
Anti-Sclerostin Bone loss disorders	Cimzia® Psoriasis	Cimzia® Rheumatoid Arthritis	Cimzia® Crohn's disease
CMC544 Non-Hodgkin Lymphoma	brivaracetam Epilepsy	Keppra® XR Epilepsy in U.S.A.	Keppra® PGTC
	CDP323 Multiple Sclerosis	Xyrem® Fibromyalgia	Xyzal® Allergy in U.S.A.
	CDP791 Non-Small cell lung cancer	brivaracetam ULD	
	epratuzumab Lupus		
	lacosamide ⊕ Migraine Prophylaxis ⊕ Fibromyalgia ⊕ Osteoarthritic Pain	lacosamide ⊕ Diabetic Neuropathic Pain ⊕ Epilepsy (Adjunctive therapy U.S.A.) ⊕ Epilepsy Monotherapy	Neupro® ⊕ Early Parkinson's (EU + U.S.A.) ⊕ Advanced Parkinson's (EU) lacosamide ⊕ Epilepsy (adjunctive therapy EU)
	rotigotine Nasal Spray Restless Legs Syndrome	rotigotine Patch Restless Legs Syndrome	fesoterodine Overactive Bladder
	rotigotine Patch Fibromyalgia		

Inflammation

CNS

Other

Oncology



Update on Development pipeline



**Iris Loew-Friedrich,
*Senior Vice President,
Development, UCB***

- Development pipeline update
- Focus on:
 - CNS
 - Inflammation & auto-immune diseases
 - Oncology

CNS

Expansion in our core area

- ▶ Epilepsy (Keppra[®] XR, *lacosamide*, *brivaracetam*)
- ▶ Parkinson's disease (Neupro[®])
- ▶ Restless Legs Syndrome (*rotigotine*)
- ▶ Multiple sclerosis (CDP323)
- ▶ Diabetic neuropathic pain (*lacosamide*)
- ▶ Fibromyalgia (*lacosamide*, Xyrem[®], *rotigotine*)



Epilepsy

Still a large unmet medical need

19

the next generation biopharma leader July 26, 2007

- ▶ Most common serious neurological disorder
 - Recurrent seizures resulting from excessive electrical activity in the brain
- ▶ Prevalence: 5.3 million people in major markets
 - 2.2 million in Europe
 - 2.1 million in U.S.A.
 - 0.9 million in Japan
- ▶ Market size € 2.3 billion (2005) (in epilepsy only)
- ▶ Estimated CAGR*: 3% (2004 to 2014)
- ▶ 25 - 35% of patients are inadequately controlled



* Compound Annual Growth Rate
Source: Decision Resources – Epilepsy – Oct 2005

Keppra® XR

Once daily convenience

20

the next generation biopharma leader July 26, 2007

- ▶ Add-on therapy for adult patients with refractory epilepsy suffering from partial onset seizures
- ▶ Potential for once daily convenience and compliance
- ▶ Expected improved efficacy and tolerability ratio
- ▶ Only for U.S.A.

Phase III results expected in Q4 2007

Withdrawal to monotherapy trial in U.S.A. to be initiated in Q4 2007



lacosamide

Novel mode of action

- ▶ Different mode of action than Keppra® and *brivaracetam*
- ▶ Enhancement of sodium channel slow inactivation
 - Mediating immediate effects
- ▶ Modulation of collapsin response mediator protein 2 (CRMP-2)
 - Potentially mediate disease modifying effect



lacosamide – Epilepsy

A comprehensive clinical programme

Three adequate and well controlled trials have already reported head line results:

SP667 Phase IIb double-blind trial
(200, 400, 600mg vs. placebo)

SP754 Phase III double-blind trial
(400, 600mg vs. placebo)

SP755 Phase III double-blind trial
(200, 400mg vs. placebo)

Various open-label follow-on trials to double-blind trials

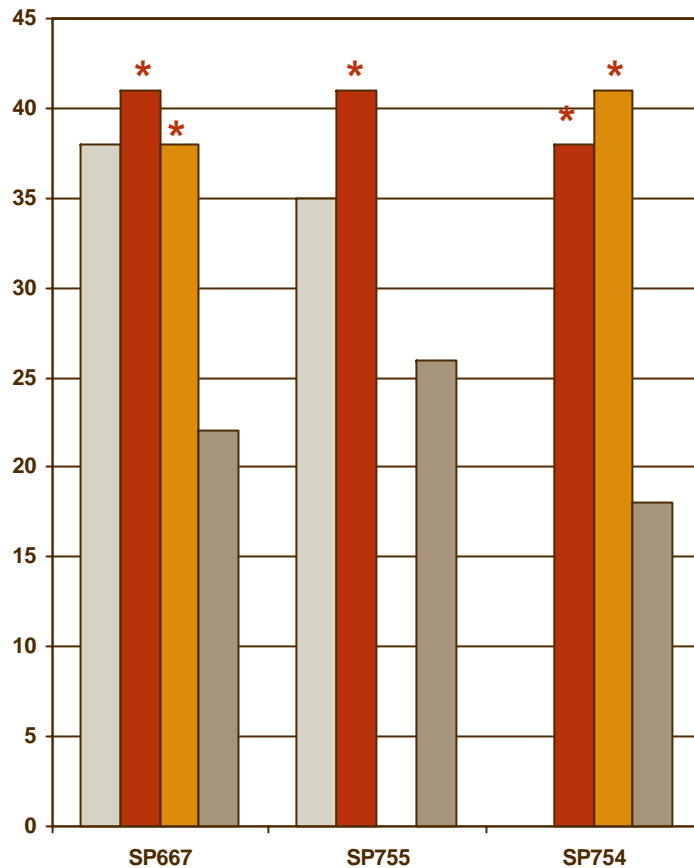


lacosamide – Epilepsy

Convincing and consistent trial results

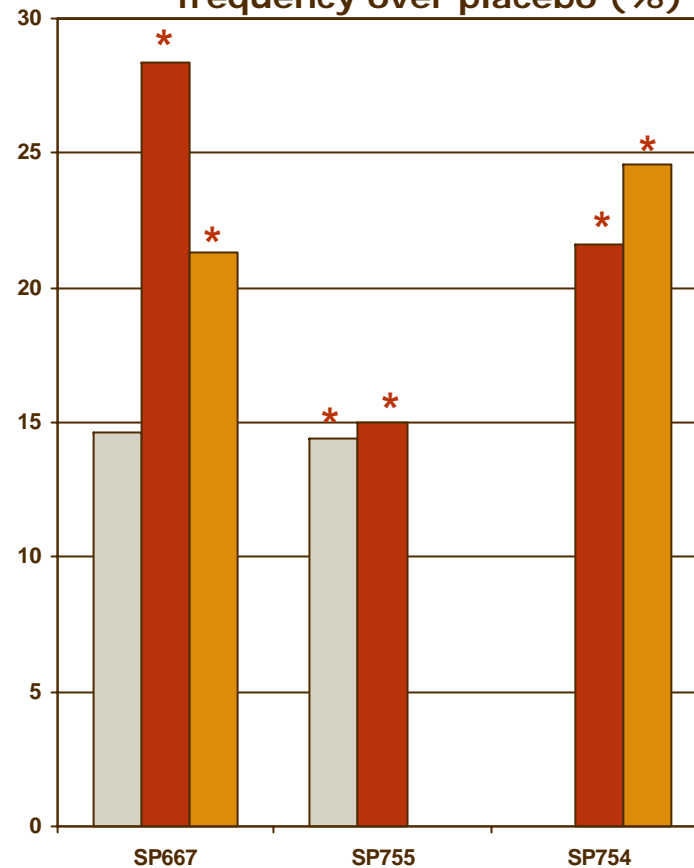
Adjunctive epilepsy treatment

50% responder rate (%)



□ 200mg/day ■ 400mg/day ■ 600mg/day ■ PBO

Median % reduction of seizure frequency over placebo (%)



□ 200mg/day ■ 400mg/day ■ 600mg/day

* p < 0.05



lacosamide - Epilepsy

The next generation AED*

24

the next generation biopharma leader July 26, 2007

- ▶ Convenient adjunctive therapy due to no drug-drug or food interaction
- ▶ Easy twice daily dosing, demonstrated efficacy and good tolerability
- ▶ Tablet, syrup and IV formulation currently developed
- ▶ Expected to become a strong and convenient AED that is simple to use

Adjunctive therapy

EU filed in May 2007

U.S.A. filing expected in Q4 2007

Monotherapy

***Phase IIb/III trial ongoing (U.S.A.),
results expected in Q2/10***



* Anti Epileptic Drug

brivaracetam - Epilepsy

High potency and efficacy

25

the next generation biopharma leader July 26, 2007

- ▶ Different pharmacology than Keppra®
 - 10 times more potent
 - More efficacious
- ▶ Broader mechanism of action
- ▶ Population includes patients not controlled with Keppra®
- ▶ Recent platform and poster presentations of Phase IIb data at the 27th International Epilepsy Congress (IEC)
 - Demonstrated efficacy and good tolerability

Phase III trials expected to start by year end 2007

Orphan drug program in ULD* in Phase III, results from first trial expected in Q4 2007



*Unverricht Lundborg Disease

seletracetam – Epilepsy

26

the next generation biopharma leader July 26, 2007

- ▶ Phase IIa study completed
- ▶ Development on hold in favour of *lacosamide* and *brivaracetam*



Parkinson's disease

27

the next generation biopharma leader July 26, 2007

- ▶ Progressive neurological disease
 - Characterised by loss of dopamine containing cells
 - Leading to impaired movement control
- ▶ Prevalence: 2.9 million people in major markets
- ▶ Market size: € 1.4 billion (2005)
- ▶ Estimated CAGR: 6% (2005-2015)



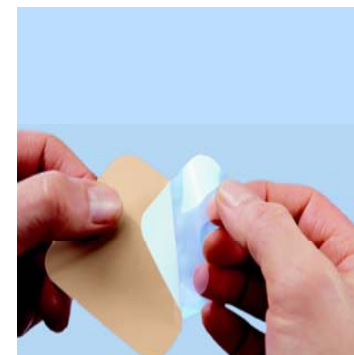
Neupro[®]

A new Parkinson's therapy is taking shape

28

the next generation biopharma leader July 26, 2007

- ▶ First once a day non-ergolinic dopamine agonist
- ▶ First transdermal patch for treatment of Parkinson's disease
- ▶ 24-hour coverage for signs and symptoms of Parkinson's disease



Early stage Parkinson

***Launched in Europe in March 2006
Launched in U.S.A. in July 2007***

Advanced Parkinson

***Launched in Europe
Planned sNDA* filing (U.S.A.) in Q4 2007***



* Supplementary new drug application

Restless Legs Syndrome

29

the next generation biopharma leader July 26, 2007

- ▶ Neurological disorder
 - Resulting in motor restlessness, poor quality of sleep, excessive daytime sleepiness, traffic safety issues
- ▶ Prevalence: 52.3 million people in major markets
- ▶ Market size: € 141 million (2005)
- ▶ Estimated CAGR: 20% (2005-2015)



rotigotine - RLS Phase III results

Trial design

30

the next generation biopharma leader July 26, 2007

▶ Trial design

- Double-blind, randomised, placebo-controlled, 4-arm trial (EU) / 5-arm trial (U.S.A.)

▶ Objective

- To investigate efficacy and safety of different doses of *rotigotine* Transdermal Patch in patients with idiopathic Restless Legs Syndrome

▶ Patient numbers

- 458 (EU)/ 505 (U.S.A.) patients randomised with moderate to severe idiopathic RLS

▶ Duration

- 3/4-week titration period, 6-month maintenance period, 7-day taper period, 30-day safety follow-up



rotigotine RLS Phase III EU trial

Sustained efficacy over six months

SP790 – EU trial:

- ▶ First scientific presentation of results at EFNS (European Federation of Neurological Societies) in August 07 in Brussels

SP792 – USA trial:

- ▶ First scientific presentation of results at ANA (American Neurological Association) in October 07



rotigotine - RLS Phase III EU trial

Clear dose response

SP790 – EU trial:

- ▶ First scientific presentation of results at EFNS (European Federation of Neurological Societies) in August 07 in Brussels

SP792 – USA trial:

- ▶ First scientific presentation of results at ANA (American Neurological Association) in October 07



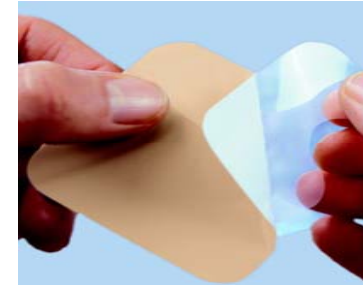
rotigotine - Restless Legs Syndrome (RLS)

Increased awareness of an unrecognised disease

33

the next generation biopharma leader July 26, 2007

- ▶ Demonstrated efficacy in Restless Legs Syndrome
- ▶ Well tolerated
- ▶ Consistent results within comprehensive clinical programme
- ▶ Evidence of improved sleep and reduced daytime tiredness
- ▶ Excellent chance to potentially become first line treatment for this large unmet medical need



Expected U.S.A. & EU regulatory filing Q4 2007



Multiple sclerosis

34

the next generation biopharma leader July 26, 2007

- ▶ Multiple sclerosis is a chronic, inflammatory, demyelinating disease that affects the central nervous system (CNS).
- ▶ Prevalence: 524 700 people in major markets
 - 259 800 in U.S.A.
 - 256 400 in top 5 EU countries
 - 8 500 in Japan
- ▶ Market size: € 2.9 billion (2005)
- ▶ Estimated CAGR: 3.6% (2005-2015)



CDP323 in multiple sclerosis

Oral administration

35

the next generation biopharma leader July 26, 2007

- ▶ Potent and orally active small molecule antagonist of alpha 4-integrin
- ▶ Phase I data were presented atECTRIMS* in 2006
 - Well tolerated
- ▶ Successful collaboration with Biogen IDEC
- ▶ Phase II programme ongoing
 - First results expected end of 2008



* *European Committee for Treatment & Research in Multiple Sclerosis*

Diabetic neuropathic pain

36

the next generation biopharma leader July 26, 2007

- ▶ Permanent damage of nerves caused by metabolic disorder
 - Chronic pain, sensations of burning, electricity, extreme cold, numbness and tingling
- ▶ Prevalence: 6.6 million people in major markets
- ▶ Market size: € 363 million (2005)
- ▶ Estimated CAGR: 10% (2005-2015)



lacosamide – Diabetic neuropathic pain

Clinical trials Phase III

37

the next generation biopharma leader July 26, 2007

Five trials have already reported head line results:

SP614 Phase II double-blind proof-of-concept trial
(400mg/day vs. placebo)

SP742 Phase IIb double-blind dose finding trial
(200, 400, 600mg/day vs. placebo)

SP743 Phase III double-blind trial
(400, 600mg/day vs. placebo)

SP768 Phase III double-blind trial
(200, 400, 600mg/day vs. placebo)

SP746-1 Randomised withdrawal design

Various open-label follow-on trials to double-blind trials



lacosamide – Diabetic neuropathic pain

Phase III randomised-withdrawal design trial

38

the next generation biopharma leader July 26, 2007

▶ Trial design

- 4 Periods of up to 28 days, 106 patients enrolled

▶ Objective

- To demonstrate the efficacy of *lacosamide* in patients who were treated long-term at their optimal dose (all subjects treated > 1 year in open label trial SP746)

▶ Primary Variable

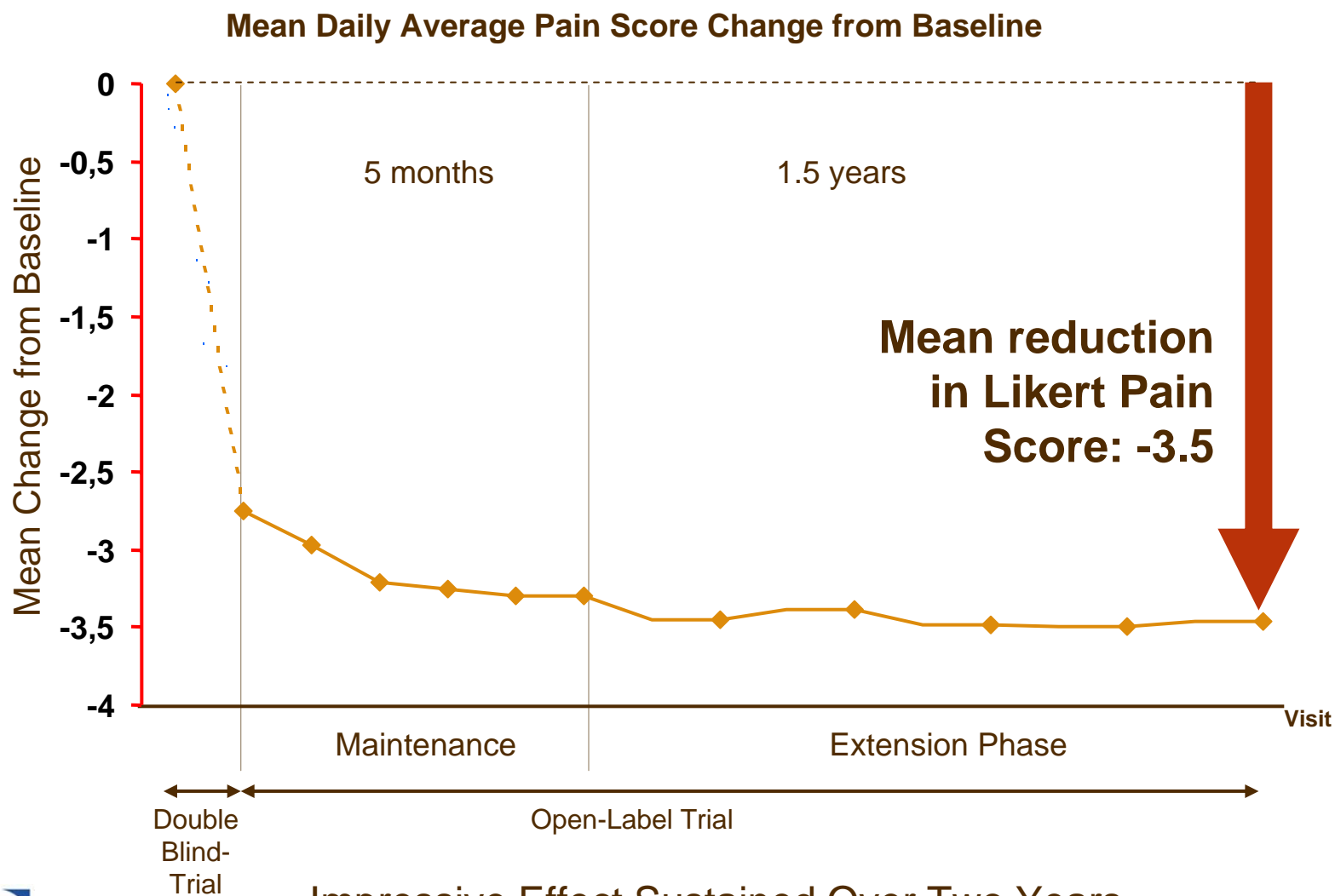
- Change in average daily pain score from baseline to the end of each period (last 7 days)

▶ Conclusions

- Average pain scores while on placebo were consistently higher than while on *lacosamide*
- *lacosamide* was statistically superior to placebo in this withdrawal design
- No withdrawal effects were observed after abrupt discontinuation of *lacosamide*



lacosamide – Diabetic neuropathic pain Open-label extension trial



lacosamide - Diabetic neuropathic pain

Promising drug for a large unmet medical need

40

the next generation biopharma leader July 26, 2007

- ▶ Demonstrated sustained efficacy in reducing diabetic neuropathy
 - Positive and supportive Phase III results confirmed by latest clinical trial with innovative design
- ▶ Good tolerability profile
- ▶ No drug-drug or food interactions or weight gain
- ▶ New mode of action

EU filing expected in Q3 2007

U.S.A. filing expected in Q4 2007



Fibromyalgia

Widespread and longstanding pain

41

the next generation biopharma leader July 26, 2007

- ▶ Fibromyalgia is a chronic syndrome defined by widespread and longstanding pain sustained for at least three months
- ▶ Additional symptoms of stiffness, sleep disturbances, fatigue, and mood disorders characterise this disease
- ▶ Prevalence: 14.3 million people in major markets
 - 4.9 million in U.S.A.
 - 6.7 million in top 5 EU countries
 - 2.7 million in Japan
- ▶ Market size: € 218 million (2004)
- ▶ Estimated CAGR: 15% (2004-2014)



Source: Decision Resources – Fibromyalgia – June 2005

Xyrem[®], *lacosamide* & *rotigotine* in Fibromyalgia

A wide range of potential treatment options

42

the next generation biopharma leader July 26, 2007

▶ *lacosamide*

- Proof of concept trial ongoing (Phase II)
- First results 2008

▶ **Xyrem[®]**

- Two Phase III studies ongoing
- Co-development with Jazz Pharmaceuticals
- Preliminary data from first Phase III trial expected in H2 2008

▶ *rotigotine*

- Proof of concept trial ongoing (Phase II)
- First results 2008



Inflammation and auto-immune diseases

Indications

- ▶ Crohn's disease (Cimzia®)
- ▶ Rheumatoid Arthritis (Cimzia®)
- ▶ Systemic Lupus Erythematosus (*epratuzumab*)
- ▶ Bone loss disorders (Anti-Sclerostin)



Crohn's disease



“The worst symptom I face is loss of control - loss of my own control.” (Patient, Germany)

- Chronic inflammatory disease of the entire gastrointestinal tract
- Associated with episodes of relapse and remission
- Prevalence:
 - Approximately 1 million people worldwide
 - Over 197 000 patients in Europe
 - Over 433 000 patients in U.S.A.
 - Over 15 000 patients in Japan
- Market size: € 800 million (2005)
- Estimated CAGR: 7% (2005-2015)

Cimzia[®] in Crohn's disease

Regulatory status

45

the next generation biopharma leader July 26, 2007

- ▶ Filed with FDA (February 2006)
 - Submitted response to Complete Response Letter
 - April 2007
 - Ongoing dialogue with FDA
- ▶ Additional short-term clinical study being initiated
 - 6-week induction study (n=370)
 - All study centers in place
 - Results expected in H2 2008
- ▶ Filed with EMEA (April 2006)
 - CHMP opinion expected late 2007



Rheumatoid arthritis



Alice,
suffering from Rheumatoid arthritis

- Chronic inflammatory disease characterised by progressive joint destruction
 - Debilitating systemic condition

- Prevalence:
 - Over 2.1 million in Europe
 - Over 2 million patients in U.S.A.
 - Over 0.6 million patients in Japan

- Market size: € 4.2 billion (2005)

- Estimated CAGR: 6% (2005-2015)

Cimzia[®] in rheumatoid arthritis

Only PEGylated Fc-free anti-TNF

47

the next generation biopharma leader July 26, 2007

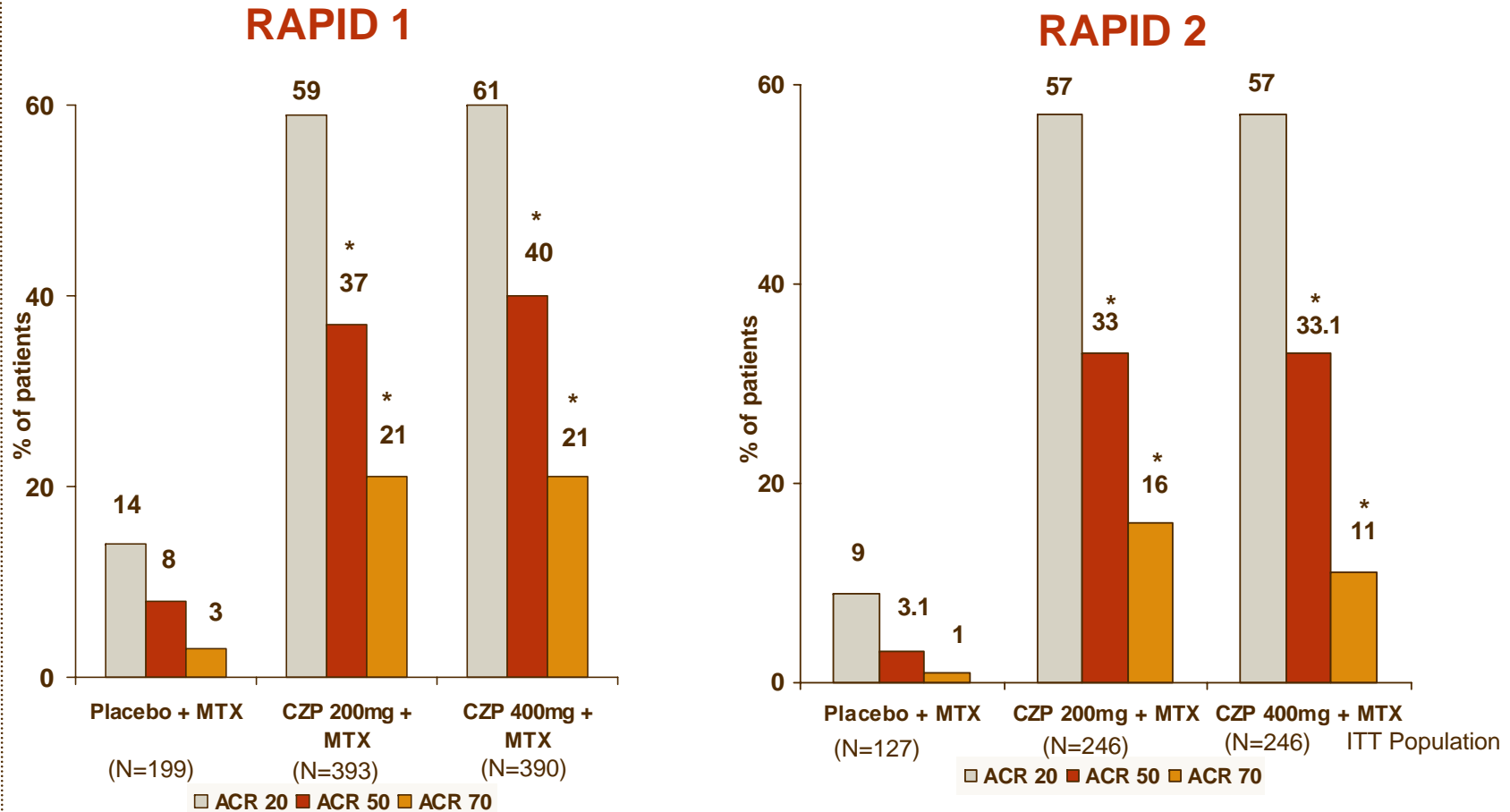
- ▶ Demonstrated efficacy from two positive large-scale Phase III studies
 - RAPID 1 (027) and RAPID 2 (050)
- ▶ Primary and co-primary endpoints met with statistical significance
 - Significant improvement in signs and symptoms (ACR* 20, 50 & 70)
 - Significant reduction in joint damage after 1 year
- ▶ Long-term follow-up studies to RAPID 1 & 2 ongoing
- ▶ Filing with regulatory authorities in the U.S.A. by year-end



* American College of Rheumatology response scores

Cimzia® in RA - RAPID 1&2

Consistent ACR responder rates at week 24



* All Significantly different from placebo, $p < 0.0001$

Patients who withdrew or used rescue medication were considered non-responders

Systemic lupus erythematosus (SLE)

49

the next generation biopharma leader July 26, 2007

- ▶ Auto-immune disease in which organs, tissues, and cells undergo damage mediated by tissue-binding auto-antibodies and immune complexes.
- ▶ Prevalence: 590 000 people in major markets
- ▶ Market size: N/A (no new drugs established for SLE in the last 40 years)
- ▶ Market growth rate: N/A



Source:¹ PatientBase

epratuzumab in systemic lupus erythematosus

Open label re-treatment study ongoing

50

the next generation biopharma leader July 26, 2007

- ▶ Previous Phase II PK and III program discontinued
- ▶ Open label extension study ongoing in U.S.A.
 - Re-treatment of patients benefiting from treatment in the initial Phase III program
- ▶ Revisions to the *epratuzumab* manufacturing process ongoing
- ▶ Previous clinical trial data are being analysed
- ▶ Update on the next steps on the program is planned for the fourth quarter of 2007



Bone loss disorders

51

the next generation biopharma leader July 26, 2007

- ▶ Reduction of bone mass (density) or presence of a fragility fracture
- ▶ Prevalence: 140 million patients affected in the major markets
- ▶ Increasing prevalence due to an aging population
- ▶ High associated morbidity and loss of daily independence caused by disease
- ▶ Market size: € 5.3 billion in 2006 (world-wide sales of agents used to treat bone loss)
- ▶ Estimated CAGR: 4.4% over the coming 10 years



Anti-Sclerostin in bone loss disorders

Novel therapy with strong potential

52

the next generation biopharma leader July 26, 2007

- ▶ Development of novel anabolic therapy
 - Antibody to *sclerostin* potentially treating bone loss disorders, including osteoporosis
- ▶ Collaborative project with Amgen

Study of naturally occurring human disorder leads to a potential new drug therapy



Normal



Sclerosteosis

Phase I trial ongoing, results expected in Q3/2007



Oncology

Non-small cell lung cancer

53

the next generation biopharma leader July 26, 2007

- ▶ Non-small cell lung cancer is a disease in which malignant cells form in the tissues of the lung
- ▶ About 85% of all lung cancers are of the non-small cell type with 3 sub-types. The cells in these sub-types differ in size, shape and chemical make-up
- ▶ Non-small cell lung cancer remains a leading cause of death for patients in the developed world
- ▶ Prevalence: 550 000 patients in major markets
- ▶ Market size:
 - U.S.A.: € 1.8-2.2 billion (2004)
 - EU: € 1.4-1.8 billion (2004)
- ▶ Market growth rate: estimated at ~15% through 2010



Source: Reuters BI report (oncology to 2011) / Bear Stearns report on NSCLC from Sept 2004

CDP791 in non-small cell lung cancer

Novel antibody with unique selective mechanism

54

the next generation biopharma leader July 26, 2007

- ▶ Humanised di-Fab fragment conjugated to PEG
- ▶ Specific and potent inhibitor of VEGFR-2
- ▶ Phase II trial in advanced non-small cell lung cancer
 - Patient enrolment completed
 - Patients are being followed
 - Observation of progression free survival ongoing
 - Analysis of data to occur when data are sufficiently mature

Results expected in late 2007 – early 2008



Rich R&D pipeline

Phase I	Phase II	Phase III	Filed/Approved
Anti-Sclerostin Bone loss disorders	Cimzia® Psoriasis	Cimzia® Rheumatoid Arthritis	Cimzia® Crohn's disease
CMC544 Non-Hodgkin Lymphoma	brivaracetam Epilepsy	Keppra® XR Epilepsy in U.S.A.	Keppra® PGTC
	CDP323 Multiple Sclerosis	Xyrem® Fibromyalgia	Xyzal® Allergy in U.S.A.
	CDP791 Non-Small cell lung cancer	brivaracetam ULD	
	epratuzumab Lupus		
	lacosamide ⊕ Migraine Prophylaxis ⊕ Fibromyalgia ⊕ Osteoarthritic Pain	lacosamide ⊕ Diabetic Neuropathic Pain ⊕ Epilepsy (Adjunctive therapy U.S.A.) ⊕ Epilepsy Monotherapy	Neupro® ⊕ Early Parkinson's (EU + U.S.A.) ⊕ Advanced Parkinson's (EU) lacosamide ⊕ Epilepsy (adjunctive therapy EU)
	rotigotine Nasal Spray Restless Legs Syndrome	rotigotine Patch Restless Legs Syndrome	fesoterodine Overactive Bladder
	rotigotine Patch Fibromyalgia		

Inflammation

CNS

Other

Oncology



Agenda

- ▶ UCB Interim Report 2007
 - Luc Missorten, CFO, UCB
- ▶ R&D Update
 - Melanie Lee, Executive Vice President, R&D, UCB
 - Iris Loew-Friedrich, Senior Vice President Development, UCB
- ▶ Integration update
 - Detlef Thielgen, CEO Schwarz Pharma
- ▶ Strategy - Outlook 2007
 - Roch Doliveux, CEO, UCB



Acquisition of Schwarz Pharma Update



Detlef Thielgen
Chief Executive Officer,
Schwarz Pharma

Chief Integration Officer

Acquisition of Schwarz Pharma

Domination & P/L transfer agreement registered

58

the next generation biopharma leader July 26, 2007

- ▶ Tender offer completed on 28 December 2006
- ▶ 87.6% of Schwarz Pharma's outstanding shares owned by UCB
- ▶ Domination & profit and loss transfer agreement
 - Approved at Schwarz Pharma's AGM on May 8, 2007
 - Registration took place in July 2007
 - Offers cash compensation of € 104.60/share or guaranteed dividend of € 3.43 gross/share



Integration update

Raising synergy target to € 380 million

59

the next generation biopharma leader July 26, 2007

- ▶ Synergies for 2010 raised from € 300 million to € 380 million (pre tax)
 - 50% in marketing & sales
 - 50% in G&A, production and supply chain, R&D
- ▶ Out of the € 380 million € 40 million are cost avoidance

- ▶ Synergies expected for 2007: approx. € 130 million



Newly integrated organisation operational as of 1 September 2007

60

the next generation biopharma leader July 26, 2007

- ▶ Outstanding cooperation between both legacy operations
- ▶ Majority of key talent retained
- ▶ Extensive internal co-promotion in place to maximise product potential for Neupro[®], Keppra[®] and primary care products
- ▶ New sales force allocation and promoted product portfolio finalised
- ▶ R&D focus unchanged, optimisation of key processes and cost reductions due to critical mass on track
- ▶ Manufacturing improvement identified
- ▶ G&A streamlining in progress with first realised synergies



Agenda

- ▶ UCB Interim Report 2007
 - Luc Missorten, CFO, UCB
- ▶ R&D Update
 - Melanie Lee, Executive Vice President, R&D, UCB
 - Iris Loew-Friedrich, Senior Vice President Development, UCB
- ▶ Integration update
 - Detlef Thielgen, CEO Schwarz Pharma
- ▶ Strategy - Outlook 2007
 - Roch Doliveux, CEO, UCB



Strategy & Outlook 2007



Roch Doliveux
Chief Executive Officer, UCB

Commercial highlights

63

the next generation biopharma leader July 26, 2007

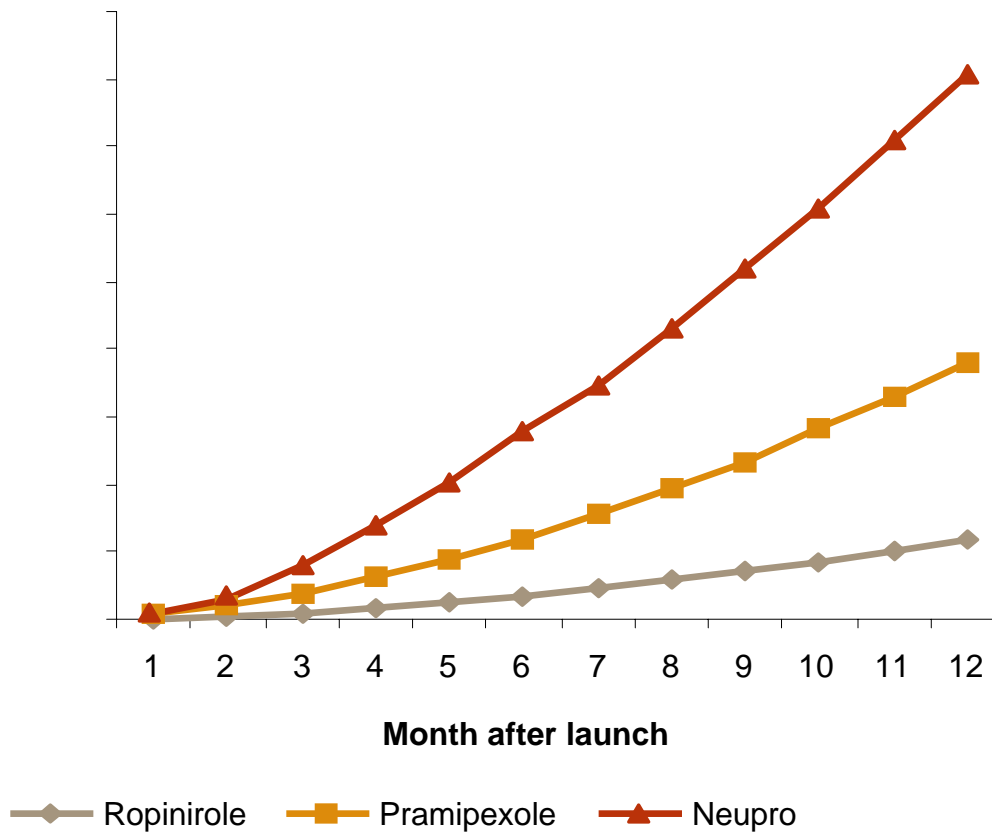
- ▶ Keppra® still accelerating growth
 - U.S.A. sales of € 320 million up 49%* with 29.3% market share**
 - EU sales of € 160 million up 35%* with 25.5% market share**
- ▶ Excellent uptake of Neupro® launch in Europe
- ▶ Zyrtec® U.S.A. in market sales up 6%
- ▶ Xyzal® sales of € 104 million up 20%*

The logo for Keppra, featuring the word "Keppra" in a stylized font with a red-to-orange gradient and a blue underline.The logo for Neupro, featuring a green square icon followed by the word "Neupro" in blue.The logos for Zyrtec and Xyzal. Zyrtec is in blue with "Cetirizine dihydrochloride" above it and "ALLERGY" below. Xyzal is in blue and orange with "Loratadine hydrochloride" below it.

* Constant rates
** in value as of 04/07
source: IMS Midas

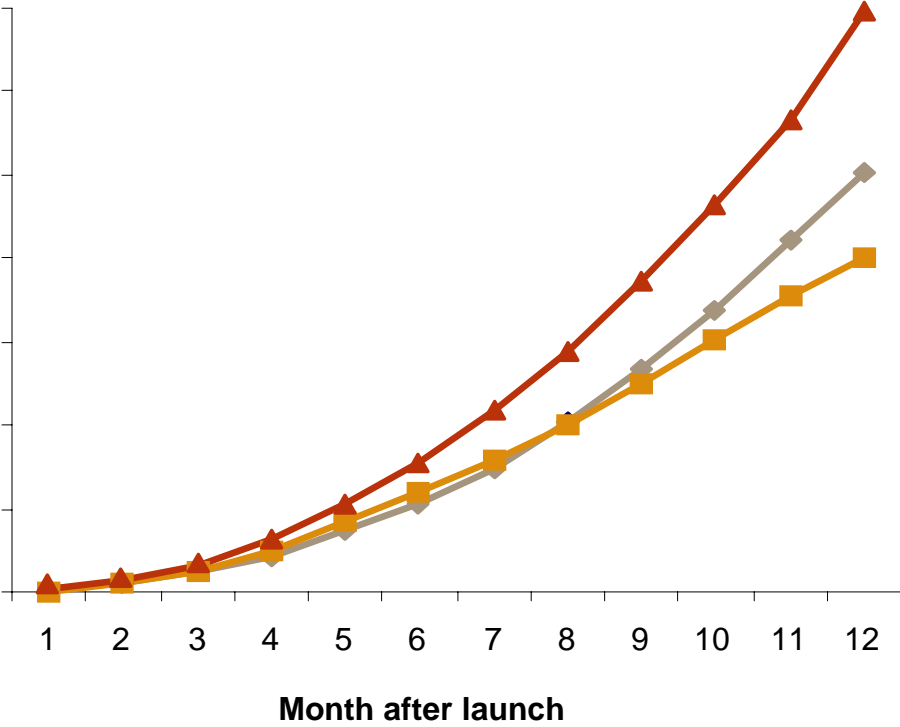
Neupro[®] - strong uptake in Germany

Trendlines of Cumulative Sales (in T €) of Dopamine Agonists at Time of Launch



Neupro[®] - strong uptake in the UK

Trendlines of Cumulative Sales (in T €) of Dopamine Agonists at Time of Launch



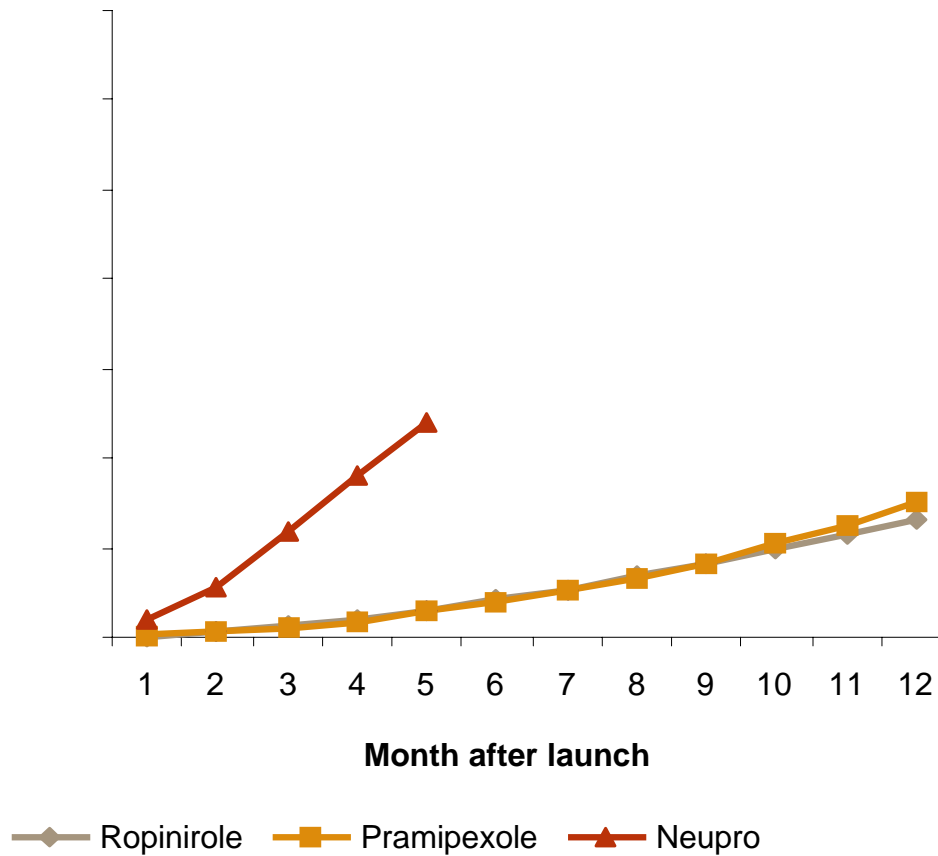
—◆— Ropinirole —■— Pramipexole —▲— Neupro



Source: IMS Dataview

Neupro[®] - strong uptake in Spain

Trendlines of Cumulative Sales (in T €) of Dopamine Agonists at Time of Launch



Neupro[®]

Launched in U.S.A. in July 2007

67

the next generation biopharma leader July 26, 2007

- ▶ Patient-focused marketing: Neupro[®]
 - is effective with stable, continuous delivery 24 hours a day
 - improves patient functionality and movement
 - has a proven safety and tolerability profile
 - provides patient convenience through simple, once-daily dosing
- ▶ Promoted by seasoned high level neurology professionals with highest share of voice
 - Best in class training of sales force
- ▶ Active PR campaign
- ▶ Intensive medical affairs activities

Now for early-stage Parkinson's disease



The First Once-daily
Dopamine Agonist Patch Is Here

Neupro[®]
(Rotigotine Transdermal System)

Xyzal[®]

New option in field of allergy in U.S.A.

68

the next generation biopharma leader July 26, 2007

- ▶ Partnership with sanofi-aventis deemed for success building on historic mutual leadership in allergy
- ▶ U.S.A. launch planned in autumn allergy season promoting Xyzal[®] as the newest potent and long lasting anti-histamine approved by the FDA for prescription only
- ▶ High unmet medical need: approx. 40% of U.S.A. allergy sufferers are not satisfied with current treatments*
- ▶ Fast onset of action - within 60 minutes - sustained over 24 hours



*source: Allergies in America – 2006

Outlook 2007



2007 Financial outlook for New UCB

70

the next generation biopharma leader July 26, 2007

- ▶ **Revenue** expected to slightly exceed 2006 pro-forma of € 3 523 million
 - H2 2007 revenues expected to be impacted by allergy seasonality, generic competition and currency fluctuations
- ▶ Recurring **EBITDA** expected to reach approx. € 720 million
 - H2 2007 operating expenses expected to increase due to product launches of Neupro[®] and Xyzal[®] in the U.S.A. and additional investments in Phase III studies, partially compensated by synergies
- ▶ **Net Profit** expected to exceed € 100 million
 - Affected by the impact of further amortisation expenses, financial expenses and non-recurring restructuring expenses linked to the acquisition of Schwarz Pharma



2007 – A year of execution

Milestones in H2 2007

71

the next generation biopharma leader July 26, 2007

- ▶ Two product launches in the U.S.A.
 - Neupro[®]
 - Xyzal[®]

- ▶ Seven regulatory filings
 - including lacosamide epilepsy and neuropathic pain, rotigotine in restless legs syndrome and Cimzia in RA

- ▶ ... and further R&D milestones



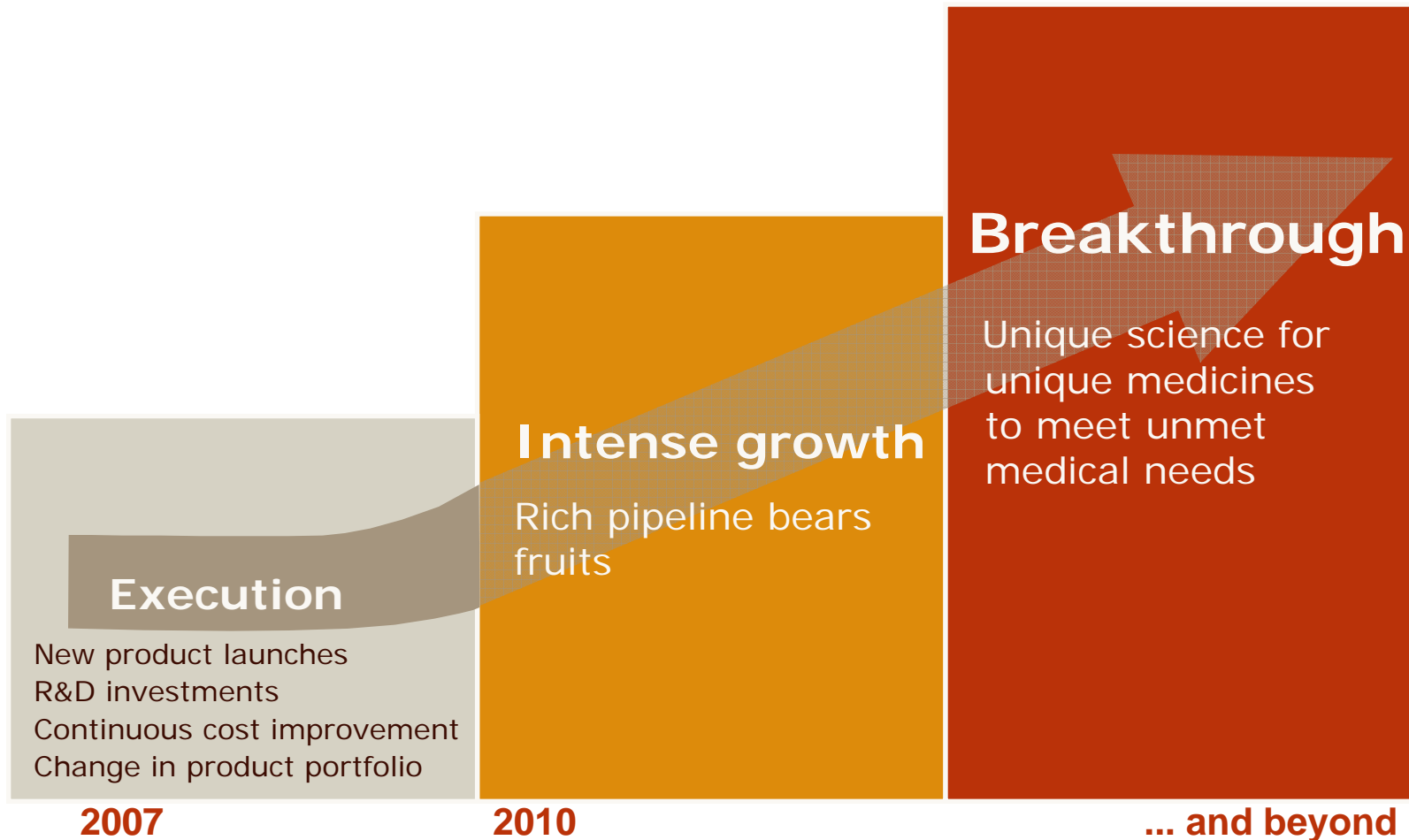
Please see appendix

New UCB

The next generation biopharma leader

72

Significant long-term growth



the next generation biopharma leader July 26, 2007



Thank you

73

the next generation biopharma leader July 26, 2007

Q&A session



Appendix



2007 – A year of execution

Milestones in Q3 2007

75

the next generation biopharma leader July 26, 2007

▶ Clinical

- Phase I results for Anti-Sclerostin in bone loss disorders
- Start *lacosamide* epilepsy monotherapy

▶ Regulatory

- Filing of *lacosamide* for neuropathic pain in Europe

▶ Product launches

- Neupro[®] launch in the U.S.A.



2007 – A year of execution

Milestones in Q4 2007

76

the next generation biopharma leader July 26, 2007

▶ Clinical

- Results of Phase II re-treatment study of Cimzia[®] in psoriasis
- *brivaracetam* start Phase III trials
- Keppra[®] XR Phase III results
- *brivaracetam* first Phase III results in ULD



2007 – A year of execution

Milestones in Q4 2007

77

the next generation biopharma leader July 26, 2007

▶ Regulatory

- Filing of *lacosamide* for epilepsy and neuropathic pain (U.S.A.)
- Filing of *rotigotine* in Restless Legs Syndrome (U.S.A. + Europe)
- Filing of Cimzia® in RA (U.S.A.)
- Filing of Neupro® in advanced Parkinson's (U.S.A.)
- Regulatory decision on Cimzia® in Crohn's in Europe (CHMP opinion)

▶ Product launches

- Xyzal® launch in the U.S.A. together with sanofi-aventis



Schwarz Pharma stand-alone Half-Year Results



Schwarz Pharma highlights first half 2007: Solid business performance

79

the next generation biopharma leader July 26, 2007

- ▶ Revenue: € 455.8 million, -5.7%
- ▶ Operating result: € 52.2 million (€ 78.4 million)
- ▶ Net result: € 26.1 million (€ 37.3 million)
- ▶ Net Cash: € 121.9 million
- ▶ Impacted by
 - Solid overall business performance
 - Product mix
 - Restructuring charges in Germany and the U.S.A.
 - Milestone payments



Schwarz Pharma revenue: € 455.8 million

In line with expectations

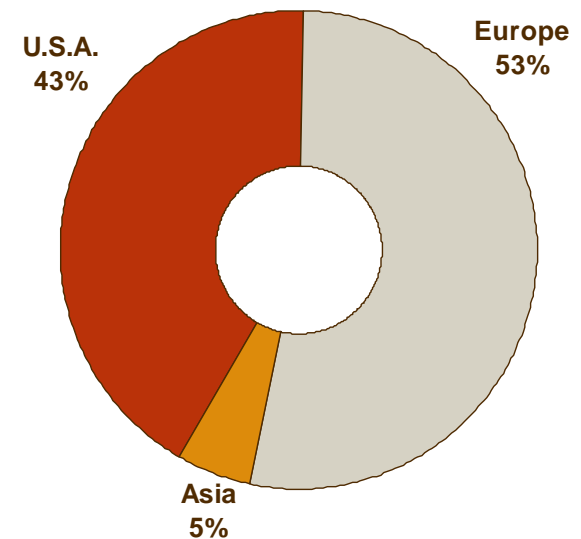
80

the next generation biopharma leader July 26, 2007

Schwarz Pharma Revenue by Region

Group	€ 455.8 million	-5.7%*
Europe	€ 243.4 million	-4.9%
<i>thereof Germany</i>	<i>€ 87.2 million</i>	<i>-20.0%</i>
U.S.A.	€ 192.2 million	-8.3%
Asia	€ 20.2 million	+13.7%

H1 2007



*currency adjusted: -2.3% y-o-y



Schwarz Pharma top selling products H1 2007: A broad portfolio

81

the next generation biopharma leader July 26, 2007

Million €		Jun 07 YTD	Change
<i>omeprazole</i>		87.6	-11.1%
Atmadisc™	<i>salmeterol/fluticason</i>	24.4	+5.0%
Isoket™/Dilatrate™	ISDN	22.8	- 17.2%
Elantan®	ISMN	20.9	-1.7%
Prostavasin™	<i>alprostadil</i>	20.7	-7.0%
Glycolax™	Polyethylene Glycol	18.8	+11.8%
Verelan™ PM	Verapamil HCl	18.4	-7.4%
Deponit®	GTN patch	17.3	-3.4%
Neupro®	<i>rotigotine</i> transdermal patch	17.2	> +100%
Ferro™	Iron(II)-glycine sulphate	14.9	+5.4%

Total Top Ten Products

~ 60% of total sales



Schwarz Pharma operating business in-line with expectations

Schwarz Pharma <i>(IAS/IFRS, € million)</i>	Jan.-June 2007	Jan.-June 2006	Change in %
Revenue	455.8	483.4	-5.7%
Cost of goods sold	156.6	157.0	-0.3%
Gross profit	299.2	326.4	-8.3%
Selling, general and administrative expenses	204.9	211.0	-7.3%
Research and development costs	83.8	97.9	-14.4%
Amortization of intangible assets	12.5	13.0	-3.8%
Other income/(expense)	57.2	83.9	-31.8%
Operating result (EBIT)	52.2	78.4	-33.4



Schwarz Pharma positive net result: € 26.1 million (-30.2%)

Schwarz Pharma <i>(IAS / IFRS, € million)</i>	Jan.-June 2007	Jan.-June 2006	Change in %
Financial result	3.1	3.1	+0.0%
Result before taxes	55.3	81.5	-32.1%
Taxes on income	28.7	43.9	-34.6%
Minority interest	(0.5)	(0.2)	>100%
Net result	26.1	37.3	-30.2%
Earnings per share (€)	0.53	0.80	

Schwarz Pharma

Outlook 2007 - On stand alone basis

- ▶ Neupro[®]: Launches to continue
- ▶ Key submissions planned
 - *lacosamide*/neuropathic pain: EU Q3/07, U.S.A. Q4/07
 - *lacosamide*/epilepsy: U.S.A. Q4/07
 - *rotigotine*/RLS: EU & U.S.A. Q4/07
- ▶ Financials
 - Sales in the range of € 800-850 million
 - Focus of spending on Neupro[®] launches and R&D
 - Restructuring measures where loss of sales
 - Partnering, product or asset deal necessary
 - Positive net result



Contact details

UCB Corporate Communications & Investor Relations

- ▶ Antje Witte
- ▶ antje.witte@ucb-group.com
- ▶ T: +32 2 559 94 14

- ▶ Mareike Mohr
- ▶ mareike.mohr@ucb-group.com
- ▶ T: +32 2 559 92 64

