Consolidated accounts for the first semester of 2010

- ***Significant revenues***
- ***Net profit for the first semester reflecting the contribution of licensing agreements***
- ***Strongly reinforced cash position***

Paris, August 25th, 2010 – BioAlliance Pharma SA (Euronext Paris – BIO), a company dedicated to the supportive care and treatment of cancer patients, today presented its consolidated half-year accounts to June 30, 2010.

Consolidated accounts (IFRS-compliant) In thousands euros	30/06/2010	30/06/2009
Revenues	21 357	4 145
Operating profit/loss	10 379	(8 952)
Financial profit/loss	204	134
Net profit/loss	10 583	(8 818)

Available cash and cash equivalent as of June 30, 2010	28 880

The first half of 2010 was marked by two major events that testify to the quality of BioAlliance Pharma's teams and products:

- European licensing agreement of Loramyc® and Setofilm®, both products registered in most of European countries, signed with Therabel;
- US approval of Oravig®, known as Loramyc® in Europe, enabling the commercial partner, Strativa Pharmaceutical (a division of Par Pharmaceutical) to launch the product in the US at the end of August 2010. BioAlliance Pharma is to date one of the first small medium-size innovative French companies with a product registered in this major territory.

«BioAlliance Pharma has demonstrated its ability to bring a product from concept to market with the patient in mind », declares Dominique Costantini, CEO of BioAlliance Pharma. *«These successful events have already brought about €23 million from its commercial partners as non recurrent milestones during the first semester 2010. Our growth model, based on partnerships, is now proving its effectiveness; our ongoing and future launches will ensure recurrent revenues based upon royalties on net sales. These revenues will allow us to pursue developing our innovative product portfolio and may strengthen it with targeted acquisitions intended for rare cancers or severe pathologies»*.

Analysis of the H1 2010 accounts

Revenues for the first half of 2010 amounted to €21.4 million, a strong increase compared to the €4.1 million generated in the first half of 2009. They included the non recurrent payments of €20.6 million received from the out-licensing agreements of Loramyc® and Setofilm® and were mainly composed of following items:

- A €15.6 million milestone payment from Par Pharmaceutical, our US licensee for Oravig®, corresponding to the approval of the product in April and to the staggering over 33 months of the upfront payment received in 2007;
- A €4.5 million upfront payment received upon signature of the European licensing agreement of Loramyc® and Setofilm® from Therabel.

Loramyc® sales for the first half of 2010 amounted to €0.6 million, mainly corresponding to the direct sales of the product in France during Q1 2010, before implementation of the agreement with Therabel, providing the transfer of the commercial activities as of April 1st, 2010.

After taking into account operating expenses of €11 million, including notably R&D costs, commercial costs relating to Loramyc® in France (1st quarter) as well as general and administrative expenses, the operating profit reached €10.4 million. During this semester, BioAlliance Pharma has pursued the clinical development of four promising products: two in the area of supportive care (clonidine Lauriad® and fentanyl Lauriad®), one for the treatment of metastatic melanoma (AMEP® biotherapy) and one for the treatment of primary liver cancer - orphan status (doxorubicine Transdrug).

The accounts showed a financial profit of €0.2 million and the net profit for first half-year was consequently €10.6 million.

As of June 30, 2010, the Company's cash and cash equivalent amounted to €28.9 million, reflecting a significant reinforcement of the Company's financial resources compared with a €14.7 million cash balance as of December 31, 2009. This strong cash position is mostly due to the €22.5 million payment received on the first semester resulting from the licensing agreements with Par/Strativa and with Therabel.

Post-closing events and outlook

BioAlliance Pharma has received positive advice of the Health Authorities to submit mid-2011 its acyclovir Lauriad® European registration dossier, based on the positive phase III clinical trial.

«This advice of the European Health Authorities confirms the quality of the results obtained with the efficacy study of our product, acyclovir Lauriad®, developed for the treatment of oro-facial herpes», comments Dominique Costantini. *«We have demonstrated treatment efficacy together with a new prevention effect and a very good tolerance, all competitive advantages on this large potential prescription market. We now are going to actively prepare the next steps».*

Analyst meeting and conference call (in English)

BioAlliance Pharma will hold a meeting at 9:00 am on Thursday, August 26, 2010, at its corporate headquarters (49, boulevard Martial Valin, Paris, France). A conference call in English will start at 11:30 am (Paris time - GMT+1). The access numbers and codes are given below.

Conference call dial-in number (from France and from abroad) : +33 (0)1 72 00 15 29
Replay number : +33 (0)1 72 00 15 00 (in English), followed by 270551#

BioAlliance Pharma today announced the filing of its financial report for the half-year to June 30, 2010. The half-year financial report, including the consolidated accounts to June 30, 2010, can be viewed in the "Investor" section of the Company's website (http://www.bioalliancepharma.com).

The half-year accounts have been verified by the statutory auditor and approved by the Board of Directors on August 25, 2010.

About BioAlliance Pharma

Dedicated to cancer and supportive care – cancer related pathologies, chemotherapy and radiotherapy-induced complications and opportunistic infections in immunocompromised patients – BioAlliance conceives and develops innovative products, especially in the hospital setting and for orphan or rare diseases.

Created in 1997 and introduced to the Euronext Paris market in 2005, BioAlliance Pharma's ambition is to become a leading player in these fields by coupling innovation to patient needs. The company's teams have the key competencies required to identify, develop and register drugs in Europe and the USA; the products' commercialization rights are licensed to international commercial partners invested in the hospital setting. In areas where medical needs are insufficiently met, its targeted approaches help overcome drug resistance and improve patient health & quality of life.

BioAlliance Pharma has developed an advanced product portfolio:
Loramyc®/Oravig®(Oropharyngeal candidiasis in immunocompromised patients): Registered in 26 European countries, in Korea and in the United States
Setofilm® (Prevention and treatment of -chemotherapy, radiotherapy and post operative- induced nausea and vomiting in adults and children): Registered in 16 European countries
Acyclovir Lauriad® (Labialis herpes): Positive phase III final results
Fentanyl Lauriad® (Chronic cancer pain): Positive preliminary Phase I results
AMEP® (Invasive melanoma): Phase I
Clonidine Lauriad® (Mucositis): Phase II
Doxorubicine Transdrug® (Liver cancer): Phase II
For more information, visit the BioAlliance Pharma web site at www.bioalliancepharma.com

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