

Profit at drugmaker Sanofi up 35 pct for 1st half

July 26 2012

(AP) — Drugmaker Sanofi saw its net profit rise 35 percent in the first half of the year as it pushes into areas with long-term growth potential to off-set the expiration of profitable patents.

Strong growth in the Paris-based company's diabetes drug Lantus and a record year for flu vaccines sales helped drive earnings from January to June to €3 billion (\$3.64 billion). Revenue for the period was €17.4 billion, up 8 percent from the same period last year.

Shares rose on the news when the Paris bourse opened, moving up 0.8 percent in early trading.

But the company was still cautious in its outlook for the year, saying that generic competition for its Plavix blood thinner and Avapro blood pressure drugs would cost it €1.4 billion in 2012. As a result, it still expects its core earnings, what it calls "Business EPS," to fall between 12 and 15 percent this year.

As the expiration of lucrative patents wipes out billions in annual revenue, [Sanofi](#) is shifting its focus from blockbuster patented drugs to six growth "platforms" — areas with products with indefinite lifespans, not the typical 10 years before prescription pills get generic competition.

Those areas are vaccines, consumer health products, medicines for pets and livestock, diabetes treatments and testing supplies, biologic drugs for rare or complex disorders, and products for emerging markets — China,

India, Brazil and other countries where a growing middle class is buying more medicine.

Many of those divisions posted strong gains in the first half of the year. Consumer health sales, for instance, were up 13.8 percent, while animal health revenue was up 5.9 percent and vaccines rose 7 percent. Sales in emerging markets were up 10.7 percent.

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Citation: Profit at drugmaker Sanofi up 35 pct for 1st half (2012, July 26) retrieved 27 April 2024 from <https://medicalxpress.com/news/2012-07-profit-drugmaker-sanofi-pct-1st.html>

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