

FOR IMMEDIATE RELEASE
London, 19 May 2010

**PRELIMINARY RESULTS ANNOUNCEMENT
for the year ended 31 December 2009**

ImmuPharma PLC (LSE:IMM), ("ImmuPharma" or the "Company"), the specialist drug discovery and development company, is pleased to announce its preliminary audited results for the year ended 31 December 2009.

Key Highlights:

- Revenue reported of £22 million for the period following the receipt of \$30 million from Cephalon, Inc. as a license payment for Lupuzor™ in February, 2009
- Basic and diluted earnings per share were 10.46p and 9.99p respectively (31 December 2008: 6.23p and 6.07p respectively)
- Strong cash position of £22.5 million. Cash balance resulting from Lupuzor™ agreement to be used to develop the other promising compounds in the pipeline
- Lead candidate for the treatment of Lupus, Lupuzor™, licensed to Cephalon, Inc in a transaction worth up to \$500m in milestone payments in addition to significant royalties. \$45m in cash received to date - \$15m in Q4 2008 and \$30m in Q1 2009
- Final results of the Phase IIb study of Lupuzor™ showed a clinically significant improvement in patient response rate versus placebo
- Received IND approval from AFSSAPS, Agence Francaise de Securite Sanitaire des Produits de Sante, for a Phase I/IIa study in patients, IPP-204106, our anti-cancer compound with a novel and promising mechanism of action. First patients expected to be dosed within the next few weeks
- Received numerous awards during the year, including: 'Breakthrough of the Year 2009' European Mediscience Award, 'Best Technology 2009' AIM Award and 'Best Drug Development Company Europe 2010' New Economy Award.

Richard Warr, Chairman, said: *"We are proud to report on our strong revenue and balance sheet performance . 2009 was a landmark year for ImmuPharma with the successful licensing of Lupuzor™ to Cephalon, the promising results of our Phase IIb trial for Lupuzor™, the addition of further blue-chip institutional investors, and the receipt of prestigious industry awards. In addition to our successes in 2009 we are delighted to have received approval from the French regulatory authorities to commence our Phase I/IIa study in cancer patients with IPP-204106. This novel compound is the second ImmuPharma programme to move into clinical testing in patients and is an important part of our future. We look forward to reporting further progress throughout 2010."*

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IMMUPHARMA PLC

The consolidated results for ImmuPharma and its subsidiaries (collectively the “Group”) cover the year ended 31 December 2009.

Report of the Chairman and of the Chief Executive Officer

We are delighted to report on another year of significant developments and progress for ImmuPharma. 2009 saw the achievement of a landmark licensing deal with Cephalon, Inc., (“Cephalon”) an S&P 500 company, for the worldwide development and commercialisation of our lead compound, Lupuzor™. In addition, ImmuPharma received several awards including the AIM award for Best Technology 2009 and the European Mediscience award for Breakthrough of the Year. The Company also attracted new blue-chip shareholders during the period. We ended 2009 by hosting in December an analyst and investor technology forum in Paris where a number of our key scientific investigators presented on our promising cancer programme.

In February 2009, Cephalon exercised its option to license Lupuzor™ for an exercise fee of \$30m. This payment was in addition to the \$15m option payment Cephalon made in November 2008. The overall value of the transaction is up to \$500m in cash milestone payments in addition to significant royalties. Cephalon has licensed the worldwide rights to Lupuzor™ and is now responsible for all costs associated with its development and commercialisation. Cephalon and ImmuPharma have established a joint committee to oversee these activities. Cephalon is currently moving forward with a second Phase IIB study in US and European patients with Systemic Lupus Erythematosus to build upon the work done by ImmuPharma.

In November 2009, we reported the final analysis of the ImmuPharma Phase IIB study of Lupuzor™ in patients with Systemic Lupus Erythematosus. Lupuzor™ achieved a clinically significant improvement in patient response rate versus placebo. The improvement was statistically significant in a subgroup of moderate to severe patients. 62% of this sub-group of patients were responders compared to 41% on placebo. Furthermore, Lupuzor™ was generally well tolerated with fewer serious adverse events leading to discontinuation. We are excited that this study has delivered such encouraging clinical efficacy data. Further details on these promising results are given in the Lupuzor™ section of this report.

The past 12 months has seen ImmuPharma gain a number of prestigious awards. In October, ImmuPharma received the AIM award for Best Technology 2009, an award that is presented to the Company which ‘reflects the innovation and entrepreneurial skills that are the cornerstone of the AIM culture’. In June, the Company received the European Mediscience award for Breakthrough of the Year. In addition, ImmuPharma has just received the Best Drug Development Company, Europe 2010. We are honoured to have been recognised in this way by so many prestigious organisations.

We have been working hard to raise ImmuPharma’s profile in the investment community with presentations at the 8th Annual Bio Investor Forum in San Francisco, the JMP Securities Healthcare Focus Conference in New York and the Piper Jaffray Europe Conference to name but a few. We are pleased to have added a number of blue-chip investors to our shareholder base.

With the Lupuzor™ agreement with Cephalon and the completion of the ImmuPharma Phase IIB trial, we have been able to increase the focus on our other assets, specifically our cancer programme. To this end, we were delighted to hold an analyst day devoted to the potential of this programme, hosted at the headquarters of the Centre Nationale de la Recherche Scientifique (“CNRS”). Furthermore, we are excited by the news that the French authorities, AFSSAPS, have just given their approval to initiate Phase I/IIa studies in patients for IPP-204106 and are looking forward to beginning Phase I in patients in Q2 2010. .

ImmuPharma is looking forward to another promising year in 2010. The Board would like to thank its shareholders for their ongoing support as well as its scientific advisors and the CNRS in France for their collaboration.

Richard Warr, MA
Chairman

Dimitri Dimitriou, MSc
Chief Executive Officer

ImmuPharma plc

Report of the Chief Scientific Officer

2009 proved to be another remarkable year for ImmuPharma with the very promising results of the first Phase IIb study for Lupuzor™, the licensing agreement with Cephalon and the growing potential of the cancer programme. The rest of our development portfolio, our continued relationship with the CNRS and our strong cash position provides us with a solid basis for future growth.

During 2009, the first Phase IIb study of Lupuzor™ was concluded with an interim and final analysis completed. The Phase IIb trial of Lupuzor™ was undertaken in patients with active Systemic Lupus Erythematosus (SLE). Lupuzor™ administered at 200 mcg once-a-month for 3 months plus standard of care achieved a clinically significant improvement in patient response rate as measured by the combined score compared to placebo plus standard of care. The study results also show that Lupuzor™ was generally well tolerated, with adverse event rates lower with Lupuzor™ when compared with placebo.

Key highlights of the Phase IIb trial of Lupuzor™ are:

- Lupuzor™ achieved a clinically significant improvement in patient response rate versus placebo in the intention to treat (ITT) analysis
- The improvement was statistically significant in a sub-group (90% of the ITT population) of moderate to severe patients
- 62% of this sub-group of patients were responders according to both a composite clinical score and a decrease of 4 points of the SLEDAI score when treated with Lupuzor™ 200 mcg every 4 weeks for 12 weeks compared to 41% on placebo
- Lupuzor™ was generally well-tolerated with fewer serious adverse events leading to discontinuation

In February, we were delighted to announce that Cephalon exercised its option to take an exclusive license to Lupuzor™ for \$30 million bringing the total received to \$45 million including the option payment made in November 2008. Under the terms of the agreement, Cephalon assumes full responsibility for the clinical development and commercialisation of Lupuzor™ going forward. Cephalon is moving forward with plans to begin a further Phase IIb trial in US and European patients in the coming months with plans to commence Phase III trial immediately thereafter. We are delighted to have formed this partnership with Cephalon and to have secured the future development for Lupuzor™.

Following the data on our anti-cancer nucleolin antagonist (“Nucant”) peptide programme which confirmed the ability of the compounds to effectively control and stop the growth of a large panel of human cancer cell lines both “in vitro” and “in vivo”, ImmuPharma has been working toward initiation of Phase I studies in Q2 2010 and has been delighted to receive approval from the French authorities, AFSSAPS, to begin Phase I/IIa studies in patients. Collectively the pre-clinical studies comprised breast cancer, prostate cancer, melanoma, glioblastoma, leukaemia, colon cancer and pancreatic cancer cell lines. “In vivo” studies showed that tumours were completely eradicated and survival time increased without additional treatment. ImmuPharma has filed appropriate patents on the composition of matter relating to the peptides covering a large variety of Nucant structures. Manufacturing processes transferable to large scale production have also been successfully developed. Due to the considerable progress made, ImmuPharma was awarded €1.15m of prestigious grants from French national research agencies in 2008 to further their development.

During 2009, our core strategy has been to focus on the progression of our Lupus and cancer compounds. However, we remain committed to our other pipeline assets and Peptide-to-Drug-Converting technology and are actively seeking innovative ways of establishing productive collaborations that will enable their future progression.

On behalf of the Board we would also like to extend our particular thanks to the team at the CNRS in Strasbourg with whom ImmuPharma has key collaborations.

Dr Robert Zimmer

President and Chief Scientific Officer

ImmuPharma plc

Financial Review

The year ended 31 December 2009 saw ImmuPharma reach a key stage in its development with the successful licensing of Lupuzor™ to Cephalon. This license agreement, combined with the option agreement completed late in 2008, brought a total of \$45 million to the Group. This funds received in connection with this agreement has strengthened the Group's cash position and provides a solid basis on which to build the development of the Group's other assets. Together with the Group's continued emphasis on controlled expenditure for the development of its assets, these funds will help secure the development of the Group through the next few years.

With the completion of the license agreement with Cephalon for Lupuzor™, the Group recorded profit before taxation of £9.1m for the year building on the profit of £4.9m recorded in 2008. Royalty expense of £4.2m is payable to the CNRS on revenues arising from the Lupuzor™ agreement. Research and development expenditure was £4m while administrative expenses were £4.9m. Research and development expenditure has risen in line with the progression of the Group's assets, in particular the Phase IIb trial of Lupuzor™. Administrative expenditure increased from previous years in line with expectations and due to exchange rate movement during the year. The Group continues to adopt International Financial Reporting Standards (IFRS) as its primary accounting basis.

In previous years, IFRS2, relating to share-based payments, has had an impact on the Group's results. New options were granted in February 2009, and there is a charge in the accounts of £229,169 which represents the current year charge for the 2009 options and for those previously granted. This is purely a notional amount stipulated by IFRS2 (and calculated using a statistical model) as a result of granting the options. A further £360,220 is due to be charged in next years accounts under IFRS2, being the remainder of the fair value charge.

In December 2009, in fulfilment of the transaction entered into in December 2006, ING Belgium SA ('ING') exercised the warrants to subscribe for 3,245,280 Ordinary Shares of 10p each for cash of €3,000,000. At the same time, ImmuPharma (France) SA repaid ING the 187,500 €16 unsecured bonds for a total consideration of €3,000,000.

Results

The revenue of the Group for the period before taxation was £22m. Basic and diluted earnings per share were 10.46p (prior period 6.23p) and 9.99p (6.07p) respectively. No dividend is proposed.

The expenditure of the Group has been directed towards progressing its assets through the clinical process to maximise their potential.

Operating Profit

The Operating profit of £9.04m represents principally the income received from Cephalon for the Option Agreement on Lupuzor™, less expenditure on development carried out by Contract Research Organisations, royalties due to the CNRS, and the employment and running costs of the Group. The timing and extent of the research and development programme continues to be well controlled.

Net Funds

At 31 December 2009, the Group had cash and cash equivalents of £22.5m (31 December 2008 was £12.5m).

Treasury Policy

The policy continues to be that surplus funds of the Group are held in interest-bearing bank accounts on short or medium maturities, until commitments to future expenditure are made, when adequate funds are released to enable future expenditure to be incurred. The Group's Treasury Policy and controls are straightforward and approved by the Board. The Group does not engage in speculative transactions.

Financial Strategy

The overall strategy is to maintain a tight control over cash resources whilst enabling controlled development of the potential product portfolio

Tracy Weimar

Vice President, Operations

ImmuPharma plc

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Continuing operations			
Revenue	3	22,054,544	57,120
Royalty expense	3	(4,155,765)	-
Research and development expenses		(4,034,173)	(2,792,767)
Administrative expenses		(4,822,045)	(1,838,913)
		<hr/>	<hr/>
Operating profit/(loss)	2	9,042,561	(4,574,560)
Other income	3	-	9,351,562
Finance costs		(2,978)	(8,078)
Investment revenues		61,243	94,755
		<hr/>	<hr/>
Profit before taxation		9,100,826	4,863,679
Tax		(997,448)	(186,220)
		<hr/>	<hr/>
Profit for the year		8,103,378	4,677,459
		<hr/>	<hr/>
Attributable to:			
Equity holders of the parent company		8,103,378	4,677,459
		<hr/>	<hr/>
Earnings per ordinary share			
Basic	4	10.46p	6.23p
		<hr/>	<hr/>
Diluted	4	9.99p	6.07p
		<hr/>	<hr/>

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Profit for the financial year	8,103,378	4,677,459
<hr/>		
Other comprehensive income		
Exchange differences on translation of foreign operations	(1,644,702)	890,067
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Other comprehensive income for the period, net of tax	(1,644,702)	890,067
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Total comprehensive income for the period	6,458,676	5,567,526
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

	31 December 2009 £	31 December 2008 £
Non-current assets		
Intangible assets - goodwill	-	-
Intangible assets - other	746,705	809,213
Property, plant and equipment	9,336	13,319
	<hr/>	<hr/>
Total non-current assets	756,041	822,532
	<hr/>	<hr/>
Current assets		
Trade and other receivables	1,361,458	120,914
Cash and cash equivalents	22,525,509	12,458,417
	<hr/>	<hr/>
Total current assets	23,886,967	12,579,331
	<hr/>	<hr/>
Current liabilities		
Financial liabilities - borrowings	32,549	29,611
Trade and other payables	5,306,660	1,106,357
Tax payable	620,275	202,648
Provisions	174,529	46,808
	<hr/>	<hr/>
Total current liabilities	6,134,013	1,385,424
	<hr/>	<hr/>
Net current assets	17,752,954	11,193,907
	<hr/>	<hr/>
Non-current liabilities		
Financial liabilities - borrowings	425,671	776,085
	<hr/>	<hr/>
Net assets	18,083,324	11,240,354
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Ordinary shares	8,109,146	7,748,118
Share premium	7,302,645	5,486,985
Merger reserve	106,148	106,148
Other reserves	(2,888,375)	647,271
Retained earnings	5,453,759	(2,748,168)
	<hr/>	<hr/>
Total equity	18,083,324	11,240,354
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CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Cash flows from operating activities			
Cash generated from/(used in) operations	5	12,478,048	(3,556,364)
Tax		(510,591)	-
Interest paid		(2,978)	(8,078)
		<hr/>	<hr/>
Net cash generated from/(used in)operating activities		11,964,479	(3,564,442)
Investing activities			
Purchase of property, plant and equipment		(3,611)	(5,033)
Acquisition of intangibles assets		(779)	(259)
Interest received		61,243	94,755
		<hr/>	<hr/>
Net cash generated from investing activities		56,853	89,463
Financing activities			
Net proceeds from share issue – Company		155,124	2,524,756
Increase/(decrease) in bank overdraft		1,546	(932)
New loans		3,796	390,033
Loan repayments		(303,962)	(269,851)
Non-refundable upfront option payment		-	9,351,562
		<hr/>	<hr/>
Net cash (used in)/generated from financing activities		(143,496)	11,995,568
Effects of exchange rates on cash and cash equivalents		(1,810,744)	990,913
		<hr/>	<hr/>
Net increase in cash and cash equivalents		10,067,092	9,511,502
Cash and cash equivalents at beginning of period		12,458,417	2,946,915
		<hr/>	<hr/>
Cash and cash equivalents at end of period		22,525,509	12,458,417

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Share capital £	Share premium £	Merger reserve £	Acquisition reserve £	Translation Reserve £	Equity shares to be issued £	Retained Earnings £	Total equity £
At 1 January 2008	7,277,615	3,558,340	106,148	(3,541,203)	111,758	2,963,312	(7,425,627)	3,050,343
Total comprehensive income for the year	-	-	-	-	890,067	-	4,677,459	5,567,526
New issue of equity capital	470,503	2,306,317	-	-	-	-	-	2,776,820
Less: expenses of new share issue	-	(377,672)	-	-	-	-	-	(377,672)
Share based payments	-	-	-	-	-	97,730	-	97,730
Equity shares to be issued	-	-	-	-	-	125,607	-	125,607
At 31 December 2008	7,748,118	5,486,985	106,148	(3,541,203)	1,001,825	3,186,649	(2,748,168)	11,240,354
Total comprehensive income for the year	-	-	-	-	(1,644,702)	-	8,103,377	6,468,165
New issue of equity capital	36,500	118,625	-	-	-	-	-	155,125
Share based payments	-	-	-	-	-	229,169	-	229,169
Share option exercise	-	-	-	-	-	(98,550)	98,550	-
Exercise of warrants	324,528	1,697,035	-	-	-	(2,021,563)	-	-
At 31 December 2009	8,109,146	7,302,645	106,148	(3,541,203)	(642,877)	1,295,705	5,453,759	18,083,324
Attributable to:-								
Equity holders of the parent company	8,109,146	7,302,645	106,148	(3,541,203)	(642,877)	1,295,705	5,453,759	18,083,324

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NOTES

1. The financial information set out in this announcement does not comprise the Group's statutory accounts for the year ended 31 December 2009 or 31 December 2008.

The financial information has been extracted from the statutory accounts for the years ended 31 December 2009 and 31 December 2008. The auditors reported on those accounts; their reports were unqualified and did not contain a statement under either Section 498(2) or Section 498(3) of the Companies Act 2006 in respect of the year ended 31 December 2009 or Section 237(2) or Section 237(3) of the Companies Act 1985 in respect of the year ended 31 December 2008 and did not include references to any matters to which the auditor drew attention by way of emphasis.

The statutory accounts for the year ended 31 December 2008 have been delivered to the Registrar of Companies, whereas those for the year ended 31 December 2009 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The accounting policies are consistent with those applied in the preparation of the interim results for the period ended 30 June 2009 and the statutory accounts for the year ended 31 December 2008, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial information is for the year ended 31 December 2009 and the comparatives are for the year ended 31 December 2008.

The Group's financial statements incorporate the financial statements of ImmuPharma plc, ImmuPharma (UK) Limited and other entities controlled by the company ("the subsidiaries") comprising ImmuPharma AG and ImmuPharma (France) SA. Control is achieved where the company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

2	OPERATING PROFIT/(LOSS)	Year ended	Year ended
- Group		31 December	31 December
		2009	2008
		£	£
	Operating profit/loss is stated after charging/(crediting):		
	Foreign exchange losses/(gains)	1,247,723	(206,368)
	Share based payments charge	229,169	97,730
	Employers National Insurance provision in respect of share based payments charge	127,721	(41,966)
	Depreciation of property, plant and equipment		
	- owned	6,947	7,045
	Amortisation of intangible assets		
	- patents	32,346	34,951
	Loss on disposal of intangible assets	-	19,090
	Services provided by Company auditors:		
	- Audit services (includes £2,000 re subsidiaries)	53,480	35,716
	- Other services (split between):		
	- Other services relating to taxation	14,520	14,181
	- Services relating to share option schemes	1,500	-
	- All other services	-	6,463
	Audit services provided by other auditors	12,357	9,795

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NOTES (continued)

3 LUPUZOR™ REVENUE AND ROYALTY EXPENSE

In February 2009, Cephalon exercised its option to license the exclusive worldwide rights to Lupuzor and has made a non refundable payment of \$30 million to the Group (disclosed as “Revenue”), in addition to the non refundable upfront option payment of \$15 million made in November 2008 (shown in the comparative figures as “Other income”).

Under the terms of the licence agreement, the Group is entitled to various future cash milestone payments and royalties on commercial sales of Lupuzor. Cephalon will be responsible for all future costs and activities, including Phase III clinical trials, regulatory filing and the subsequent commercialisation and sale of the product worldwide.

Revenue of £21,858,617 (2008: £nil) relates to product licensing, all of which is generated from customers based in the United States of America. Grant income of £195,927 (2008: £57,120) relates to grants received from the French government. All revenues originate in France.

Profit before taxation of £10,418,080 (2008: £6,817,336) originates in France, with losses before taxation of £1,309,311 (2008: £1,984,494) and £7,943 (2008: profit £30,235) originating in the United Kingdom and Switzerland respectively.

Under the terms of the licence arrangement in place with Centre National Recherche Scientifique (CNRS), upon Cephalon exercising its option in connection with the exclusive license agreement referred to above, the Group is obliged to make payments up to 15% of the payments received from Cephalon.

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NOTES (continued)

4 EARNINGS PER SHARE - Group	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Earnings Earnings for the purposes of basic earnings per share being net profit after tax attributable to equity shareholders	8,103,378	4,677,461
Number of shares Weighted average number of ordinary shares for the purposes of basic earnings per share	77,498,096	75,049,193
Effect of dilutive potential ordinary shares:		
Share options	2,922,796	1,794,803
Warrants	685,540	178,874
	81,608,096	81,839,473
Basic earnings per share	10.46p	6.23p
Diluted earnings per share	9.99p	6.07p

The Group has granted share options and warrants in respect of equity shares to be issued, the details of which are disclosed in the full set of accounts.

5 CASH GENERATED/(USED) IN OPERATIONS

	Group 31 December 2009 £	Group 31 December 2008 £
Operating profit/(loss)	9,042,561	(4,574,560)
Depreciation and amortisation	40,739	41,996
Loss on sale of intangible assets	-	19,090
Share-based payments	229,169	97,730
(Increase)/decrease in trade and other receivables	(1,284,377)	348,113
Increase in trade and other payables	4,322,235	553,233
Increase/(decrease) in provisions	127,721	(41,966)
Cash generated/(used) in operations	12,478,048	(3,556,364)

The directors consider that the carrying amount of trade and other payables approximates to their fair value.