

**PRELIMINARY RESULTS ANNOUNCEMENT
for the year ended 31 December 2008**

ImmuPharma PLC (LSE:IMM), ("ImmuPharma" or the "Company"), the specialist drug discovery and development company, is pleased to announce its preliminary results for the year ended 31 December 2008.

Key Highlights:

- 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 been received to date - \$15m in Q4 2008 and \$30m post year end in Q1 2009
- Interim analysis for the Phase IIb study of Lupuzor™ has demonstrated statistically significant superiority of Lupuzor™ over placebo
- Data for IPP-204106 has confirmed the ability of the programme to effectively control and stop the growth of a large panel of human cancer cell lines both "in vitro" and "in vivo"
- Awarded €1.15m in grants from prestigious French institutions for the development of the Group's promising cancer compound, IPP-204106
- Share placings completed in July 2008 raising £2.7m before deduction of placement costs from UK and Swiss institutional investors.
- Strong cash position due to Cephalon deal, share placings and grants awarded

Dimitri Dimitriou, Chief Executive Officer, said: *"2008 was a landmark year for ImmuPharma with the successful licensing of Lupuzor™ to Cephalon, Inc, successful share placings, bringing in additional blue-chip institutional investors, receipt of prestigious French grants and good progress on our pipeline. We look forward to reporting further progress throughout 2009."*

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The consolidated results for ImmuPharma and its subsidiaries (collectively the "Group") cover the year ended 31 December 2008.

REPORT FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

2008 was a landmark year for ImmuPharma plc which culminated in November 2008 in a transaction worth up to \$500m in cash milestone payments in addition to significant royalties, with Cephalon Inc, an S&P500 company, for the worldwide development and commercialisation of our lead compound Lupuzor™. ImmuPharma has to date received \$45 million in cash from Cephalon, of which \$15 million was paid in Q4 2008 on the signing of the option agreement and \$30 million in Q1 2009 on exercise of the option to license the worldwide rights to Lupuzor™. Cephalon is now responsible for all costs associated with its development and commercialisation. Cephalon and ImmuPharma have established a joint committee to oversee these activities.

Since the deal was announced, Lupuzor™ successfully completed its ongoing phase IIb clinical trial in patients suffering with Systemic Lupus Erythematosus.

During Q1 2008 ImmuPharma entered the field of cancer therapy following the licensing of a novel cancer compound from ImmuPharma's research partner, the Centre National de la Recherche Scientifique ("CNRS"). The lead compound, IPP-204106, has since shown outstanding preclinical data confirming the ability of the series of compounds to effectively control and stop the growth of a large panel of human cancer cell lines both "in vitro" and "in vivo". Collectively the studies comprised breast cancer, prostate cancer, melanoma, glioblastoma, leukaemia, colon cancer and pancreatic cancer cell lines.

In addition, we were proud to receive two grants totalling €1.15 million from prestigious French institutions to expedite the development of our cancer programme.

In early Q3 2008, we attracted new blue-chip institutional shareholders from the UK and Switzerland by way of a placing totalling £2.7m, before deduction of placing costs.

Our strong balance sheet enables us to maximise the value of our pipeline, including the novel cancer compound, a compound for the treatment of serious pain, a novel antibiotic for MRSA and our library of patented drug candidates, while Lupuzor™ continues to progress through our partnership with Cephalon.

The Board of ImmuPharma plc would like to thank its partners, Cephalon and the Centre Nationale de la Recherche Scientifique in France for their collaboration and its shareholders for their continuing support during 2008.

REPORT FROM THE CHIEF SCIENTIFIC OFFICER

2008 was a year of exciting progress for ImmuPharma with the achievement of notable, key milestones. The pivotal, double-blind, placebo-controlled Phase IIb trial for Lupuzor™ yielded statistically significant positive data in its interim analysis. ImmuPharma successfully concluded an option agreement with Cephalon, Inc. for Lupuzor™ which has subsequently been exercised bringing the Company \$45m in cash. Data for IPP-204106 has confirmed the ability of the programme to effectively control and stop the growth of a large panel of human cancer cell lines both "in vitro" and "in vivo". €1.15m of grants have been awarded for the advancement of the cancer programme from prestigious French national institutions. With a successful share placement in the summer and the payments from Cephalon, Inc for Lupuzor™, the Group is well-placed to continue the development of all of its development assets.

The past year has seen a number of key developments for Lupuzor™ our lead drug candidate for the treatment of lupus, a chronic, life-threatening autoimmune disease. These developments include: Lupuzor™ completing the mandatory long term toxicology study package with no clinical or laboratory findings to suggest any safety issues. The Lupuzor™ patent was approved in Japan and Australia and received notice of allowance from the US Patent Office, and ImmuPharma also received approval of the trademark name Lupuzor™ by the US Patent and Trademark Office.

Importantly, the mechanism of action of Lupuzor™ has been identified by researchers working with ImmuPharma at the Centre National de la Recherche Scientifique in Strasbourg. Lupuzor™ has shown that it modulates, through a unique mechanism, a specific subset of CD4 T cells which play a critical role in the pathophysiology of Lupus. A new patent which covers this discovery has been filed. This mechanism is consistent with and explains the very favourable safety profile of Lupuzor™ (maintenance of the overall immune system while being effective) and its activity as a specific immune-modulator.

Furthermore, during the Lupuzor™'s Phase IIB study, an interim analysis was performed and reviewed by an independent Data Monitoring Committee according to ICH guidelines. This interim analysis demonstrated statistically significant superiority of Lupuzor™ over placebo. This analysis was conducted after 125 randomised patients had completed the 12 week treatment period, half of them having also completed the additional 12 week follow up (week 24). The primary efficacy measure was a 'SLEDAI response' defined as a decrease of at least 4 points in the SLEDAI score, a scale generally accepted by physicians as an assessment of the clinical activity of Lupus patients, a lower score representing lower disease activity. The analysis of the data has demonstrated that the 200mcg dose of Lupuzor™ administered every four weeks was statistically significantly superior to placebo ($p=0.015$). Lupuzor™ was generally well-tolerated with no significant drug related adverse events recorded. This data follows on from the successful results which we observed with the preliminary Phase IIa trial.

In November, ImmuPharma was delighted to announce the signature of an option agreement with Cephalon, Inc. to obtain an exclusive, worldwide license to Lupuzor™. With the data arising from the interim analysis, Cephalon decided to exercise their option thereby assuming all expenses for Phase III studies and subsequent commercialisation of the product. We are delighted to have formed this partnership with Cephalon and to have secured the future development for Lupuzor™. The \$45m cash arising from the signature of the option agreement and its subsequent exercise has provided a valuable cash base on which to further develop our other pipeline assets.

During the year, data on ImmuPharma's anti-cancer nucleolin antagonist ("Nucant") peptide programme, IPP-204106 was obtained confirming 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". Collectively the 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 has initiated the regulatory studies necessary for the development program of IPP-204106, and has applied for and successfully been awarded €1.15m of prestigious grants from French national research agencies.

While our core strategy is to focus on the progression of our Lupus and cancer compounds, we are also progressing our other lead candidates. Our two other lead drug candidates each represent a breakthrough approach and are very exciting compounds that fit perfectly with the Company's model of niche diseases.

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.

Financial Review

The year ended 31 December 2008 had several notable financial milestones. The Group successfully raised £2.7m of new funds through a share placing with both UK and Swiss institutional investors in difficult market conditions. With our promising cancer program, the Group was awarded €1.15m of grants from prestigious French research agencies to further its development.

Furthermore, the Group entered into an option agreement with Cephalon, Inc in November which was exercised in February 2009 providing a total of \$45m in cash. Coupled with the Group's continued emphasis on controlled expenditure for the development of its assets, these additional funds will help secure the development of the Group through the next few years.

The Group continues to adopt International Financial Reporting Standards (IFRS) as its primary accounting basis.

Financial results for the period

The Operating Loss of £4.6m represents principally the expenditure on development carried out by Contract Research Organisations and the employment and running costs of the Group. The timing and extent of the research and development programme continues to be well controlled.

Research and development expenditure was £2.8m while administrative expenses were £1.8m. Research and development expenditure has risen in line with the progression of the Group's assets, in particular the Phase IIb trial of LupuzorTM. Administrative expenditure increased slightly from previous years in line with expectations.

However, with the completion of the option agreement with Cephalon, Inc for LupuzorTM, the Group achieved a profitable position for the first time with a profit before tax for the year of £4.9m. The profit of the Group for the period after tax was £4.7m (compared to a loss of £3.1m for the year ended 31 December 2007).

Basic and diluted earnings per share was 6.23p and 5.72p respectively (prior period loss per share of 4.24p). No dividend is proposed.

In previous years, IFRS2, relating to share-based payments has had an impact on the Group's results. While no new options were granted in 2008, there is a charge in the accounts of £97,730 which represents the current year charge for options 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 £153,963 is due to be charged in the following years accounts under IFRS2, being the remainder of the fair value charge.

Net Funds

At 31 December 2008, the Group had cash and cash equivalents of £12.5M (31 December 2007 was £2.9M). Furthermore, in February 2009, Cephalon, Inc exercised their option to license Lupuzor™ for a payment of \$30m in cash, thereby further strengthening the Group's cash position.

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

The overall strategy is to maintain a tight control over cash resources whilst enabling controlled development of the potential product portfolio. The Board remains alert to opportunities to raising further finance.

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Continuing operations			
Revenue		57,120	63,199
Research and development expenses		(2,792,767)	(1,970,654)
Administrative expenses		(1,838,913)	(1,620,348)
		<hr/>	<hr/>
Operating loss	2	(4,574,560)	(3,527,803)
Other income	3	9,351,562	-
Finance costs		(8,078)	(14,156)
Investment revenues		94,755	205,911
		<hr/>	<hr/>
Profit/(loss) before taxation		4,863,679	(3,336,048)
Tax		(186,220)	253,237
		<hr/>	<hr/>
Profit/(loss) for the year		4,677,459	(3,082,811)
		<hr/> <hr/>	<hr/> <hr/>
Attributable to:			
Equity holders of the parent company		4,677,459	(3,082,811)
		<hr/> <hr/>	<hr/> <hr/>
Profit/(loss) per ordinary share			
Basic	4	6.23p	(4.24)p
		<hr/> <hr/>	<hr/> <hr/>
Diluted	4	5.72p	(4.24)p
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**CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Exchange differences on translation of foreign operations	890,067	115,893
Profit/(loss) for the financial year	4,677,459	(3,082,811)
	<hr/>	<hr/>
Total recognised income and expense for the year	5,567,526	(2,966,918)
	<hr/>	<hr/>
Attributable to:		
Equity holders of the parent company	5,567,526	(2,966,918)
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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

		31 December 2008	31 December 2007
	Notes	£	£
Non-current assets			
Property, plant and equipment		13,319	12,779
Intangible assets - goodwill		-	-
Intangible assets - other		809,213	755,135
		<hr/>	<hr/>
Total non-current assets		822,532	767,914
		<hr/>	<hr/>
Current assets			
Trade and other receivables		120,914	384,724
Cash and cash equivalents	3, 5	12,458,417	2,946,915
		<hr/>	<hr/>
Total current assets		12,579,331	3,331,639
		<hr/>	<hr/>
Current liabilities			
Financial liabilities - borrowings		29,611	173,581
Trade and other payables		1,106,357	441,380
Tax payable		202,648	-
Provisions		46,808	88,774
		<hr/>	<hr/>
Total current liabilities		1,385,424	703,735
		<hr/>	<hr/>
Net current assets		11,193,907	2,627,904
		<hr/>	<hr/>
Non-current liabilities			
Financial liabilities - borrowings		776,085	345,475
		<hr/>	<hr/>
Net assets		11,240,354	3,050,343
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Ordinary shares		7,748,118	7,277,615
Share premium		5,486,985	3,558,340
Merger reserve		106,148	106,148
Other reserves		647,271	(466,133)
Retained earnings		(2,748,168)	(7,425,627)
		<hr/>	<hr/>
Total equity		11,240,354	3,050,343
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The financial statements were approved by the Board of Directors and authorised for issue on 23 June 2009.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Cash flows from operating activities			
Cash used in operations		(3,556,364)	(3,760,613)
Interest paid		(8,078)	(14,156)
		<hr/>	<hr/>
Net cash used in operating activities		(3,564,442)	(3,774,769)
Investing activities			
Purchase of property, plant and equipment		(5,033)	(7,944)
Disposal/(acquisition) of intangibles assets		(259)	(1,407)
Interest received		94,755	205,911
		<hr/>	<hr/>
Net cash generated from investing activities		89,463	196,560
Financing activities			
Net proceeds from share issue – Company		2,524,756	-
Decrease in bank overdraft		(932)	(2,004)
New loans		390,033	93,047
Loan repayments		(269,851)	(168,607)
Other income	3	9,351,562	-
		<hr/>	<hr/>
Net cash generated from/(used in) financing activities		11,995,568	(77,564)
Effects of exchange rates on cash and cash equivalents		990,913	142,770
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents		9,511,502	(3,513,003)
Cash and cash equivalents at beginning of period		2,946,915	6,459,918
		<hr/>	<hr/>
Cash and cash equivalents at end of period		12,458,417	2,946,915
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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 2008 or 31 December 2007.

The financial information for the year ended 31 December 2007 is derived from the statutory accounts for the year which have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified and did not contain a statement under either Section 237 (2) or Section 237 (3) of the Companies Act 1985.

The full statutory accounts for the year ended 31 December 2008 will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and 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 2008 and the statutory accounts for the year ended 31 December 2007, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial information is for the year ended 31 December 2008 and the comparatives are for the year ended 31 December 2007.

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 LOSS

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Operating loss is stated after charging/(crediting):		
Foreign exchange (gains)/losses	(206,368)	13,338
Share based payments charge	97,730	131,615
Employers National Insurance provision in respect of share based payments charge	(41,966)	(5,444)
Depreciation of property, plant and equipment		
- owned	7,045	7,330
Amortisation of intangible assets		
- patents	34,951	28,982
Loss on disposal of intangible assets	19,090	-
Services provided by Company auditors:		
- Audit services	35,716	41,125
- Other services (split between):		
- Other services relating to taxation	14,181	9,812
- Services relating to share option schemes	-	16,979
- All other services	6,463	9,136
Audit services provided by other auditors	9,795	8,741

3. OTHER INCOME

Other income totalling £9,351,562 represents a non-refundable upfront option payment by Cephalon, Inc in relation to the Group's Lupuzor™ product. Under the terms of the option agreement, if exercised, Cephalon, Inc will make a further non-refundable payment of \$30 million for the worldwide rights to Lupuzor™ and, under the terms of the subsequent license agreement, the Group may be entitled to various future cash milestone payments and royalties on commercial sales of Lupuzor™. Cephalon, Inc will be responsible for all activities and expenses in respect of the Phase III clinical trials, regulatory filing and the subsequent commercialisation and sale of the product worldwide.

4 EARNINGS PER SHARE

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Earnings		
Earnings for the purposes of basic earnings per share being net profit/(loss) attributable to equity shareholders	4,677,461	(3,082,811)
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Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	75,049,193	72,776,149
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Effect of dilutive potential ordinary shares:		
Share options	3,545,000	-
Warrants (see note 22)	3,245,280	-
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	81,839,473	72,776,149
	<hr/> <hr/>	<hr/> <hr/>
Basic profit/(loss) per share	6.23p	(4.24)p
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Diluted profit/(loss) per share	5.72p	(4.24)p
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The Group has granted share options and warrants in respect of equity shares to be issued, the details of which are disclosed in notes 21 and 22 of the statutory accounts.

4 **STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	Share capital £	Share premium £	Merger reserve £	Other reserves* £	Retained Earnings £	Total equity £
At 1 January 2007	7,277,615	3,558,340	106,148	(713,641)	(4,342,816)	5,885,646
Exchange differences on translating foreign operations	-	-	-	115,893	-	115,893
Loss for the year ended 31 December 2007	-	-	-	-	(3,082,811)	(3,082,811)
Total recognised income and expense for the year	-	-	-	115,893	(3,082,811)	(2,966,918)
Share based payments	-	-	-	131,615	-	131,615
At 31 December 2007	7,277,615	3,558,340	106,148	(466,133)	(7,425,627)	3,050,343
Exchange differences on translating foreign operations	-	-	-	890,067	-	890,067
Profit for the year ended 31 December 2008	-	-	-	-	4,677,459	4,677,459
Total recognised income and expense 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	647,271	(2,748,168)	11,240,354
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* Other reserves as at 31 December 2008 comprises a reverse acquisition reserve £(3,541,203) (2007: £(3,541,203)), a translation reserve on translation of overseas subsidiaries £1,001,825 (2007: £111,758) and equity shares to be issued of £3,186,649 (2007: £2,963,312) (see notes 20 and 21).

Attributable to:-

Equity holders of the parent company	7,748,118	5,486,985	106,148	647,271	(2,748,168)	11,240,354
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5 POST BALANCE SHEET EVENTS

In February 2009 Cephalon Inc exercised its option to license the exclusive worldwide rights to Lupuzor and has made a further non refundable payment of \$30 million to the Group, through its subsidiary ImmuPharma (France) SA.

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

Under the terms of an existing arrangement in place with Centre National Recherche Scientifique (CNRS), upon Cephalon Inc exercising its option and the Group's receipt of \$30m in connection with the exclusive license agreement referred to above, the Group is obliged to make a payment of up to 15% of the license payment received.

6 DIRECTORS' REPORT AND ACCOUNTS

Copies of the report and accounts will be posted to shareholders in June 2009.