

**September 20, 1999**

**PAI acquires Sanofi Synthélabo's veterinary and animal nutrition business**

PAI (PARIBAS AFFAIRES INDUSTRIELLES) has just reached an agreement with SANOFI SYNTHELABO on the acquisition of 100% of the capital of SANOFI SANTE NUTRITION ANIMALE (SSNA) via PAI LBO FUND, its investment fund. SSNA is a subsidiary specialising in the fields of veterinary pharmacy and animal nutrition.

Philippe du MESNIL, the Managing Director, and other senior executives of the SSNA group participated in this transaction which involved a leveraged structure (LBO).

SSNA's consolidated net sales are approximately euros 160 M of which euros 120 M in animal health and euros 40 M in animal nutrition. SSNA's animal health business is split between France (26%), other European Union countries and the rest of the world, particularly Central Europe, Africa and Asia.

Since 1996 SSNA has adopted a specialisation and internationalisation strategy. Between 1995 and 1998, animal health net sales grew at an average rate in excess of 10%. The company achieved an 18% growth rate in its selected specialty areas, i.e. treatment for behavioural problems amongst domestic animals, anti-infection products and vaccinations.

PAI LBO FUND's acquisition of SSNA will enable SSNA to continue to grow independently, with the backing of a shareholder who will support management in the implementation of a strategy aimed both at internal and external growth and the creation of value.

PAI LBO FUND is a euros 650 M investment fund which invests in LBO ventures in Europe on a partnership basis with management. PARIBAS is the main sponsor and investor.

This transaction is in keeping with PAI LBO FUND's strategy aimed at investing in major European companies staffed by high calibre teams. It represents the 8th investment project to be concluded by PAI LBO FUND.