

**Boiron Should Buy Back Shares as Soon as Possible, Fund Says**  
2011-09-13 15:56:04.10 GMT

By Allison Connolly

Sept. 13 (Bloomberg) -- Boiron SA, the French maker of homeopathic remedies, should buy back shares after the stock price plunged last week following disappointing earnings, shareholder Lutetia Capital said in a letter to the company.

The lack of precision in Boiron's Sept. 6 earnings announcement contributed to the stock's 25 percent plunge the next day, the Paris-based fund said in the letter, which it also provided to Bloomberg News. The company, based in Sainte-Foy-Les-Lyon, should present a clear strategy for the rest of the year and for 2012, Lutetia wrote in a letter to management on Sept. 12.

A buyback, which shareholders have already approved, "would show management's commitment to the company," Fabrice Seiman, the co-president of Lutetia, said in an interview today. The company is debt-free and has cash, he said.

Boiron climbed 65 cents, or 3.6 percent, to 18.90 euros at the 5:30 p.m. close of trading in Paris, giving the company a market value of 406 million euros (\$555.8 million). The gain was the biggest in two weeks.

Boiron received the letter from Lutetia "very recently," Veronique Bouscayrol, a company spokeswoman, said in an e-mail. "At this stage, we are analyzing it."

#### Earnings Plunge

Boiron reported Sept. 6 that first-half operating profit plunged 93 percent to 686,000 euros. Sales in the second quarter declined 3.3 percent. The 25 percent stock decline on Sept. 7 was the biggest since at least 1989, according to data compiled by Bloomberg.

"Such selling of the stock is no doubt excessive, as the majority of revenues are generated during the second half of the year," Seiman wrote in the letter. "Nevertheless, this strong market signal should motivate management to provide investors with concrete and immediate answers."

Boiron cited reduced sales, higher personnel expenses and investments in advertising for the drop in profit.

"The uncertainties tied to the economic environment lead us to being prudent as to the outlook for the year," Boiron said in the Sept. 6 statement.

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