



## Consolidated financial results Q1 2009

Athens, May 27, 2009

ALAPIS HOLDING INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME OF PHARMACEUTICAL, CHEMICAL AND ORGANIC PRODUCTS S.A. (“Alapis” or the “Group”) announces its consolidated financial results for the first quarter of 2009.

Consolidated Turnover in the first quarter of 2009 stood at **235.6 mil. €** over 208.1 mil. € in the first quarter of 2008 increased by 13.2%. This increase is mainly attributed to the consolidation of PNG Gerolymatos Group.

Consolidated Earnings before Tax, Interest and Depreciation (EBITDA) stood in Q1 2009 at **75.8 mil. €** over 57.7 mil. € in the respective period last year increased by 31.5%, while EBITDA margin marked improvement accordingly and stood in Q1 2009 at 32.2% of consolidated sales over 27.7% in Q1 2008. This increase is attributed to the increasing contribution of the health sector in the consolidated results.

Earnings after Tax and Minorities from continued operations stood in Q1 2009 at **34.1 mil. €** increased by 8.5% compared to the respective earnings in Q1 2008. Total Earnings after Tax and Minorities, due to the loss making discontinued sector of organic products, slightly decreased by 2.8% standing at **31.4 mil. €** over 32.3 mil. € in Q1 2008.

### **Health sector** (Human and Veterinary)

Health sector marked a significant increase with sales in Q1 2009 standing at 210.6 mil. € increased by 24.6% over the respective period last year, while Earnings before Tax, Interest and Depreciation (EBITDA) stood at 74.9 mil. € increased by 59.2%. The growth of the health sector is mainly attributed to the consolidation of PNG Gerolymatos Group, as well as to the increasing contribution of the generics products in the consolidated sales.

### **Other activities** (Cosmetics and Detergents)

Sales of other activities stood at 21 mil. €, decreased by 40.8% compared to Q1 2008 due to the reduced activity of the detergents and cosmetics sectors as a result of the global financial crisis which has a severe impact in this sector. Moreover, Earnings before Tax, Interest and Depreciation (EBITDA) of this sector reached 3.7 mil. €, decreased by 60.8% versus Q1 2008.

### **Discontinued operation** (Organic products)

Please note that, as the company has previously announced, due to the significant reduction in the performance of the organic products division in the first quarter of 2009 and in order to safeguard the interests of Alapis' shareholders, the management decided the termination of operation of the said division and the commencement of the liquidation process of the companies that are active in this sector. More specifically, the Organic products division reported losses before Tax, Interest and Depreciation (EBITDA) of 2.73 mil. €, versus earnings of 1.3 mil. € in the respective period last year, while net results after tax of this activity amounted to losses of 2.68 mil. € versus profits of 889 thousand. € in Q1 2008.

### **Recent corporate developments**

#### Business development

- a. During 1st Quarter 2009 we have successfully launched generic products in CNS (6), CVS (7) and Oncology (4).
- b. In addition, five new contracts with multinational companies have been signed, thus giving the company 35 to 40 new products within the next 24 months.
- c. As a result of the companies' decision to invest into R&D facilities - starting in 2008 with the aim to develop own dossiers - five contracts for product outlicensing have been already signed by the Group in the 1st Quarter 2009, covering 7 products for European countries.

#### Group integration

- a. Several departments have started to consolidate and integrate such as Finance, HR, Medical and Registration.
- b. Production facilities have been upgraded in order to accommodate the production of generic products in our own facilities.