



**COMPANY PRESENTATION**

**September 2007**

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## 1. Introduction

## 2. Market and Business Overview

A. Human Health

B. Veterinary & Animal Products

C. Detergents & Cosmetics

D. Organic Products

## 3. Business Strategy

## 4. Financial Overview

**Lavrentis  
Lavrentiadis**  
*Executive  
Chairman*

- Born in Athens, Greece in 1972
- Holds a degree in Economics and a PhD in Marketing
- Has extensive experience in the chemicals, detergents, food, transport, pharmaceuticals and real estate sectors
- Founder and Chairman of several companies in chemical raw materials, detergents, food & beverages, transportation, and real-estate sectors
- Became Chairman of Neochimiki L.V. Lavrentiadis S.A. in 1996
- Ernst & Young Greek “Entrepreneur of the Year” for 2007; finalist of “World Entrepreneur of the Year”

**Petros  
Kiriakidis**  
*Vice Chairman  
& CEO*

- Born in Nicosia, Cyprus in 1940
- Holds a degree in Law from the University of Athens and an Economics degree from I.T.E.S., Athens
- Has held senior management positions in the sales, marketing and production divisions of various multinational companies
- CEO of EBIK from 2002 to 2005 and of Veterin from 2006 until May 2007

**John  
Papavasiliou**  
*CFO*

- Born in Patras, Greece in 1976
- Holds a degree in Economics from the University of Patras
- Has extensive experience in M&A and the operational aspects of business planning, financial reporting and cost accounting
- CFO of Neochimiki L.V. Lavrentiadis S.A. since 2004

# Company Overview



- Alapis operates a diverse group of businesses in the medical equipment, veterinary products, pet accessories, detergents, cosmetics, and organic product markets with a long-term focus on vertically integrating its pharmaceutical business
- The Company was formed following the recent merger by absorption of Lamda Detergent S.A. ("Lamda Detergent" or "Lamda"), EBIK S.A. ("EBIK") and Elpharma S.A. ("Elpharma") by Veterin S.A. ("Veterin")
- The integration of these businesses provides a significant opportunity to generate synergies in sales & marketing, sourcing, manufacturing and distribution logistics
- On a consolidated pro forma basis, Alapis reported
  - For fiscal year 2006: revenue of €273.5 million and EBITDA of €46.1 million
  - For H1'07: revenue of €163.5 million and EBITDA of €45.6 million

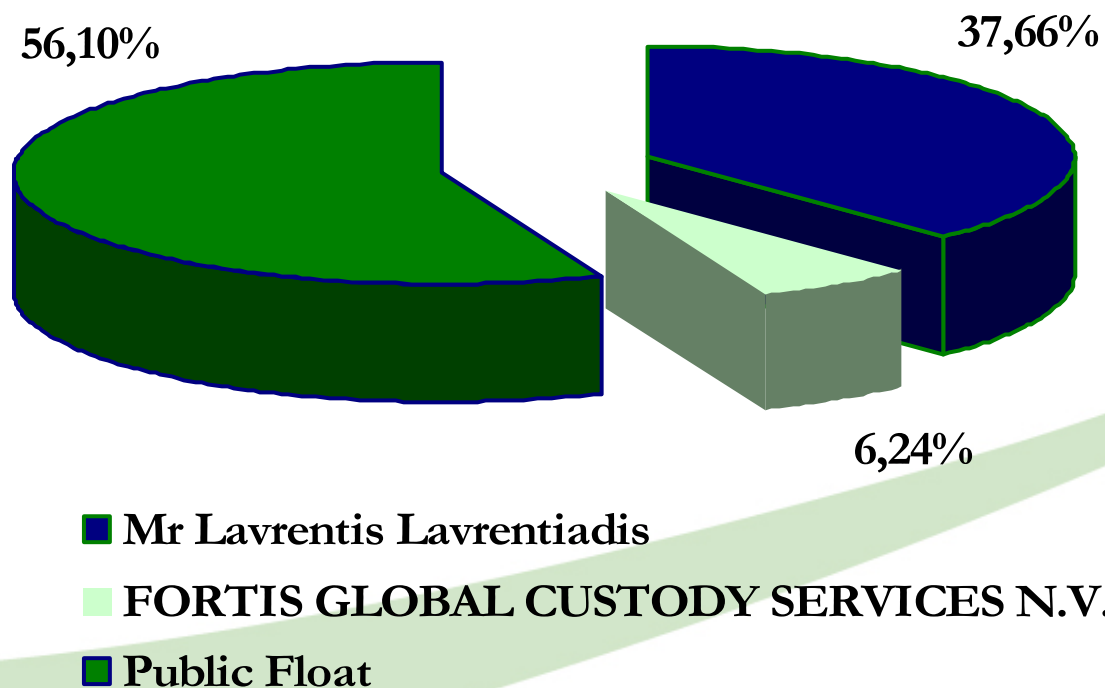
## ALAPIS

Human Health	Veterinary & Animal Products	Detergents & Cosmetics	Organic Products
Pharmaceuticals Medical devices Health Advisory Services	Animal health Pet accessories Nutritional supplements	Detergents Cosmetics	Organic products and nutritional supplements Store network
Sales H1'07: €32.1m EBITDA H1'07: €13.2m	Sales H1'07: €27.5m EBITDA H1'07: €7.4m	Sales H1'07: €67.1m EBITDA H1'07: €17.0m	Sales H1'07: €6.5m EBITDA H1'07: €1.6m

Source: Alapis 2006 and 2007 Q1 pro forma IFRS financial information

**Platform for maximization of synergies and future expansion**

## Key Shareholders and their Holdings



# Key Investment Highlights

<b>Favourable Market Dynamic</b>	 <ul style="list-style-type: none"><li>■ Strong regional GDP growth to fuel increasing consumption</li><li>■ Consolidation opportunities in highly fragmented markets with growth potential</li><li>■ Opportunity in the domestic generic pharmaceuticals market</li></ul>
<b>Broad Product Portfolio</b>	 <ul style="list-style-type: none"><li>■ Broad range of products across important categories spanning detergents, cosmetics, pharmaceuticals, medical devices and organic products</li><li>■ Different product segments share distribution channels and end markets enabling differentiation through bundling</li></ul>
<b>Operating Excellence</b>	 <ul style="list-style-type: none"><li>■ High quality manufacturing capabilities with significant capacity to increase output with limited capital expenditure impact</li><li>■ High quality manufacturing, integrated logistics, and sales &amp; marketing infrastructure</li></ul>
<b>Long-Term Relationships</b>	 <ul style="list-style-type: none"><li>■ Long-standing partnerships with multinationals</li><li>■ Close relationships of trust with broad range of customers</li><li>■ Strong relationships with key suppliers</li></ul>
<b>Financial Performance</b>	 <ul style="list-style-type: none"><li>■ Revenue growth and margin improvement</li><li>■ Profitability and cash flow generation</li><li>■ Past and future M&amp;A expected to drive both organic and synergy-driven revenue growth and cost synergies</li></ul>
<b>Proven Management</b>	 <ul style="list-style-type: none"><li>■ Capable, experienced and successful team with complementary backgrounds</li><li>■ Experienced management in identifying acquisition opportunities and integrating them into existing businesses</li></ul>

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## Favourable market dynamics

- Large market – c. US\$5.4bn <sup>(a)</sup> in Greece
  - 92% prescription <sup>(b)</sup>
  - 8% OTC <sup>(b)</sup>
- Robust growth (2006-11 CAGR)
  - Pharmaceutical – c. 6% <sup>(a)</sup>
  - OTC – c. 10% <sup>(a)</sup>
- Fragmented sector with numerous small local competitors

## Underpenetrated sector

- Imports dominate market – c. 71% <sup>(a)</sup>
- High barriers to entry
  - Local knowledge and customer relationships critical
  - Need for efficient infrastructure
- Local competitors lack critical mass
  - Face financial problems limiting their ability to grow
- Generics market underpenetrated compared to other European countries
  - Greek government sets mandatory product price which applies to both originators and generics
  - Without differential pricing, the ability to bundle products is beneficial

(a) Source: Business Monitor International, "Greece Pharmaceuticals & Healthcare Report", Q1'07

(b) Health Spending & Resources – OECD June 2006

**Highly attractive and underserved market**

## Market dynamics

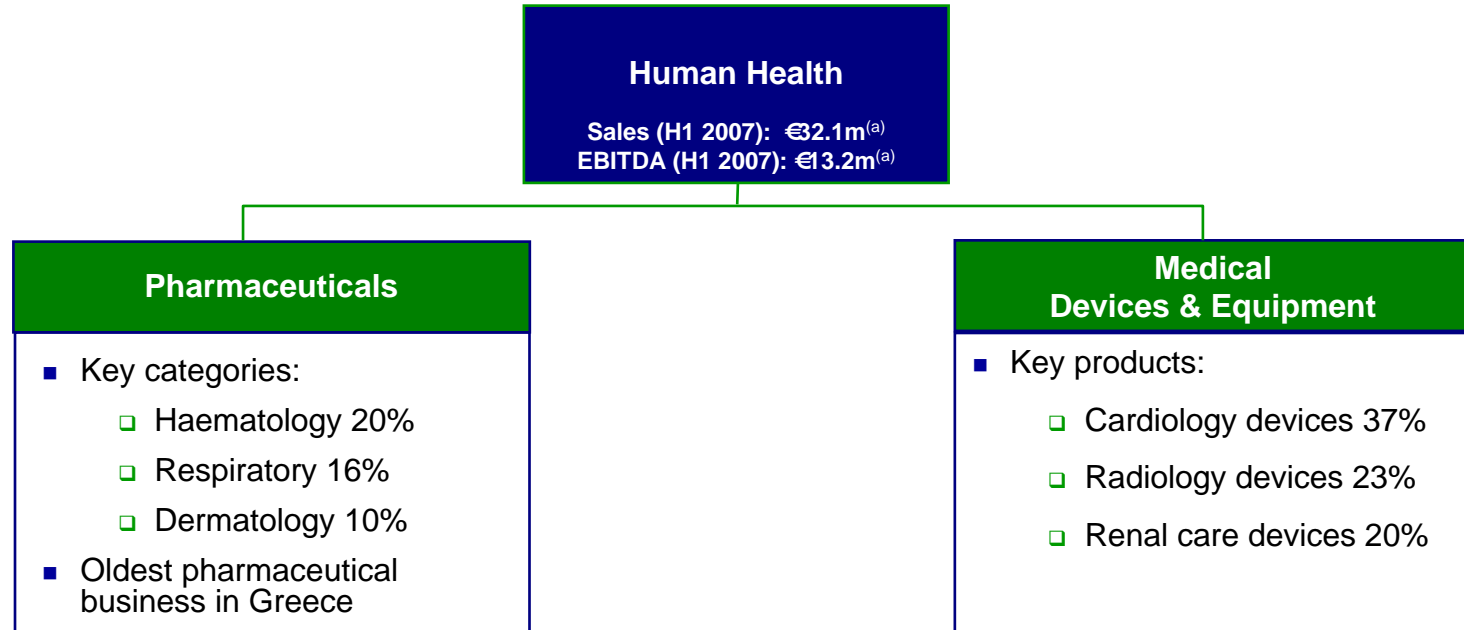
- Sizable market in Greece – c. US\$1 bn <sup>(a)</sup>
- Steady growth – c. 4% (CAGR 2007 -11) <sup>(a)</sup>
- Diverse product offering e.g. includes syringes, implants and equipment
- Market dominated by imports from multinationals – approx. 95% <sup>(a)</sup> of total market

## Interdependence between multinationals and local distributors

- Broad range of products from multiple manufacturers
- Multinationals generally lack local relationships to distribute directly
- Large number of local competitors provide relationships with hospitals
- Smaller local suppliers face financial impediments to growth

(a) Source: Medical Device Outlook – Greece – Espicom Business Intelligence, QIII 2006

**Import market relies on local suppliers with relationships with hospitals**



- Division markets products to public & private hospitals, clinicians, and pharmacies across Greece on behalf of multinationals
- Targeted sales force of 25 representatives with strong relationships with customers
- Sourcing from multinationals including:
  - Pharmaceuticals: Boehringer Ingelheim, Merck, Actavis, Kedrion, Madaus
  - Medical devices: Gambro BCT, Given Imaging, Medicult, Sorin, Terumo, Toray

(a) Source: Alapis 2007 H1 IFRS financial information

**Well positioned to benefit from favourable dynamics in the sector**

# Market Overview – Veterinary Pharmaceuticals and Pet Accessories

## Veterinary Pharmaceuticals

- Modest growth expected in Greece with stronger growth in neighbouring markets
- Market dominated by major international animal health companies who utilise local companies to distribute products
- Local competitor market is highly fragmented
- Generic products becoming increasingly important as consumers try to reduce costs

## Pet Accessories

- Approx. €80 million market in Greece <sup>(a)</sup>
- Highly concentrated with Alapis and Pet Line as the largest competitors <sup>(a)</sup>
- Products sourced locally and from international manufacturers
- Products sold through pet shops, supermarkets and independent retailers

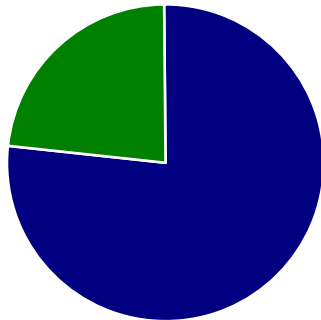
(a) Source: "Pet Food & Accessories", Hellastat, June 2007

# Division Overview – Veterinary & Animal Products

## Breakdown – Revenues (H1 2007)

### By product

Distribution of pet  
foods and  
accessories  
23%



Veterinary  
pharmaceuticals  
& Nutritional  
supplements  
77%

Total sales: €27.5m  
EBITDA: €7.4m



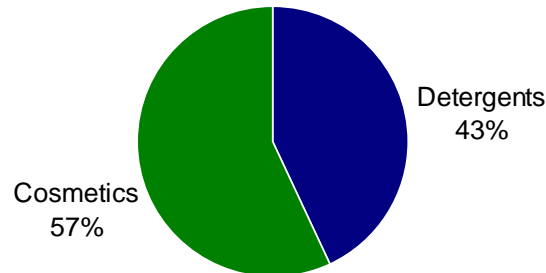
(a) Source: "Pet Food & Accessories", Hellastat, June 2007

- Local partner for leading multinational animal health companies in Greece, Romania, and Bulgaria
  - Partners include Bayer and Pfizer
- Provide distribution through own network of 78 sales representatives who serve over 5,000 customers
- High quality manufacturing capabilities
  - Veterinary pharmaceuticals
  - Nutritional supplements
- Supply wide range of products for companion animals and livestock
- Market leader along with Pet Line<sup>(a)</sup>
- Expansion in Southeastern Europe on track

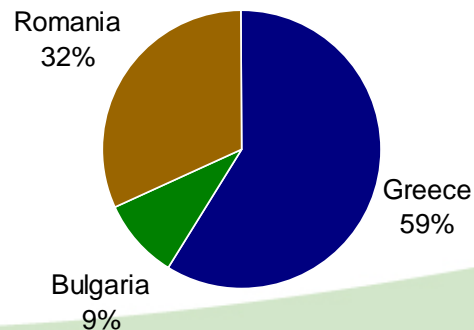
**Strong relationships with multinational animal health companies in Greece, Romania and Bulgaria**

## Southeastern Europe

### by Product Market <sup>(a)</sup>



### by Country <sup>(a)</sup>



- Substantial market for cosmetics and detergents in Southeastern Europe
  - Greece: c. €2.1 billion <sup>(b)</sup>
  - Southeastern Europe (ex Greece): c. €1.5 billion <sup>(c)</sup>
- Multinationals who own majority of brands seeking to source locally to reduce costs
  - Few local competitors with capabilities to service demand
- Private label market is under-developed
  - Only 5.3% penetration (household care market) <sup>(d)</sup>

(a) Source: Household products – Euromonitor database 2006 and Cosmetics and toiletries – Euromonitor reports (Greece – June 2006, Bulgaria – May 2006, and Romania – April 2006)  
(b) Source: Household products Euromonitor 2006  
(c) Source: Cosmetics and toiletries – Euromonitor reports (Greece – June 2006, Bulgaria – May 2006, and Romania – April 2006)  
(d) Source: Household products (market share by company) – Euromonitor database 2006

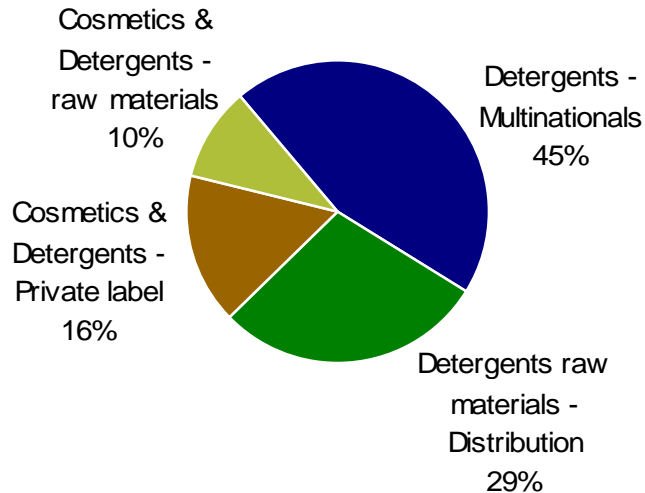
**Import substitution is the key driver**

# Division Overview – Detergents & Cosmetics



## Breakdown – Revenues (H1 2007)

### by Product



**Total sales: €67.1m**  
**EBITDA: €17.1m**

- Alapis is a leading manufacturer of liquid and powder detergents for multinationals and private labels
- High-quality low-cost manufacturing facilities with significant capacity to satisfy increasing demand
- Strong long-term relationships with customers and track record of performing
  - Multinationals: including Unilever, Henkel, Sara Lee, Ecolab and Johnson Diversey
  - Private label: major supermarket chains
- Large product range – approx. 150 product lines and approx. 800 product codes

**Cash generative platform with relationships with multinationals providing opportunity for cross-selling synergies**

## Strong growth drivers

- Overall growth of organic produce has exceeded that of total food market <sup>(a)</sup>
- Increasing health awareness in Greece
- Changing tastes among consumers increasing demand for organic products
- Organic food underpenetrated in Greece:
  - 1-1.5% of total food market in Greece <sup>(a)</sup>
  - 2.5-3% in Europe <sup>(a)</sup>

## Rapidly changing landscape

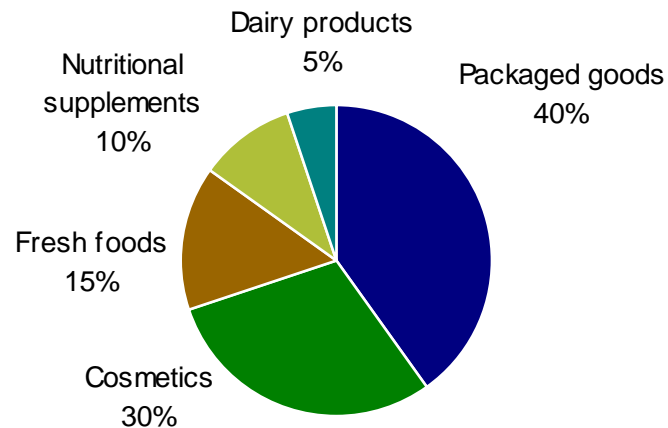
- Number of certified producers of organic produce have doubled over the last two years <sup>(a)</sup>
- Historical dominance of independent retailers
- Supermarkets are becoming increasingly important
- Greater range of organic products becoming available, e.g. cosmetics

(a) Source: "Organic Agriculture & Products", Hellastat, April 2007, 2<sup>nd</sup> edition



## Breakdown – Revenues (H1 2007)

### by Product



**Total sales: €6.5m**  
**EBITDA: €1.6m**

- Vertically integrated supplier of organic produce
  - Production
  - Wholesale/distribution
  - Retail
- Focused organic supplier in Greece
- Strong relationships across broad network of producers
- Products marketed to over 200 points of sale
- Strong brand through network of 14 “Organic Cycle” retail outlets
- Footprint in retail delivers synergies across all Alapis divisions

**End-to-end supplier of organic produce in Greece**

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# Business Strategy – Overview



Human  
Health

Veterinary &  
Animal Products

Detergents &  
Cosmetics

Organic Products

Economies of scale

Financial resources to fund working capital and capex

Track record of performance with multinationals

Manufacturing capabilities

Warehousing, logistics, and distribution synergies

Overlapping customers/bundling

Integrated platform provides multiple synergy opportunities for Alapis

# Business Strategy – Pillars of growth



Human Health	Veterinary & Animal Products	Detergents & Cosmetics	Organic Products
<ul style="list-style-type: none"><li>■ Product range enlargement</li><li>■ Cross-selling opportunities</li><li>■ Expansion in SE Europe</li><li>■ Vertical integration to fuel economies of scale</li><li>■ Potential consolidation of a fragmented sector</li></ul>	<ul style="list-style-type: none"><li>■ Product range enlargement (own branded products)</li><li>■ Contract manufacturing for multinationals</li><li>■ Expansion in Southeastern Europe</li><li>■ Cross-selling</li></ul>	<ul style="list-style-type: none"><li>■ Import substitution</li><li>■ Potential growth in private label products</li><li>■ Expansion in SEE region</li></ul>	<ul style="list-style-type: none"><li>■ Increasing health awareness in Greece</li><li>■ Distribution synergies</li><li>■ Increasing importance of supermarkets</li></ul>

**Alapis is positioned for future growth in four attractive complementary segments**

# Business Strategy – Capturing Synergies

	Human Health	Veterinary & Animal Products	Detergents & Cosmetics	Organic Products
Product Range	<ul style="list-style-type: none"> <li>Expansion of generic products portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Increase of internally manufactured products</li> <li>Expansion in related generics</li> <li>Increase of products sold through other divisions, incl. EBIK</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of product range produced for existing partners</li> <li>Further expansion into private label</li> </ul>	<ul style="list-style-type: none"> <li>Increased proportion of internally sourced products</li> </ul>
Acquisitions	<ul style="list-style-type: none"> <li>Consolidation of smaller capital-constrained competitors</li> <li>Focus on expansion of:                             <ul style="list-style-type: none"> <li>Customer relationships</li> <li>Product offering</li> <li>Infrastructure (manufacturing/distribution)</li> <li>Geography</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Expansion of manufacturing capabilities</li> </ul>		<ul style="list-style-type: none"> <li>Expansion of distribution footprint</li> </ul>
Other Investments	<ul style="list-style-type: none"> <li>Investments in growth of acquired platforms in Greece and region (Bulgaria, Romania)</li> <li>Investment in newly acquired assets</li> </ul>	<ul style="list-style-type: none"> <li>Expansion in Southeastern Europe</li> <li>Investments in working capital and maintenance capex</li> </ul>	<ul style="list-style-type: none"> <li>Build-up of distribution infrastructure to follow existing customers in region</li> <li>Additional packaging lines</li> </ul>	<ul style="list-style-type: none"> <li>Logistics supporting exports to other European markets</li> <li>Alternative distribution network for OTC drugs in case of Greek pharma market liberalisation</li> </ul>

**Continued investment to accelerate growth and realize synergies**

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# Financial Highlights – Profit & Loss Statement – (Pro Forma)

(€ in million)	2005	2006	H1'07
Revenue	180.1	273.5	163.5
<i>Growth %</i>	--	51.8%	--
Gross Profit	51.9	71.8	60.1
<i>% margin</i>	28.8%	26.3%	--
EBITDA	25.8	46.1	45.6
<i>% margin</i>	14.4%	16.9%	--
Pre-tax profit	13.7	27.1	34.1
<i>% margin</i>	7.6%	9.9%	--
Net Income	(9.4)	20.1	28.5
<i>% margin</i>	(5.2%)	7.3%	--

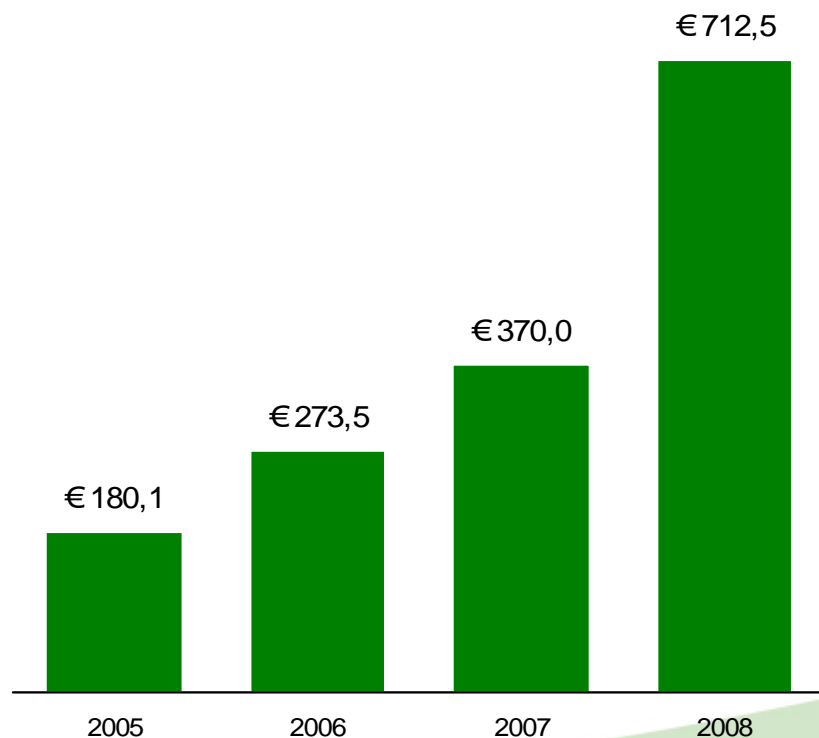
Note: Alapis pro forma IFRS financial information for 2005, 2006 and H1 2007

# Revenues & EBITDA Evolution 2005 - 2008



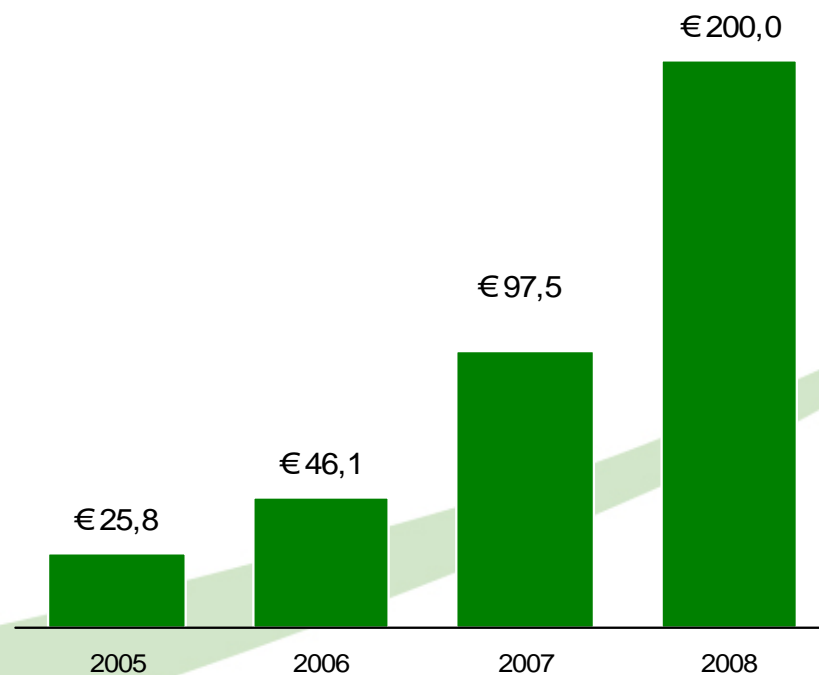
## Revenues

(€ in million)



## EBITDA

(€ in million)



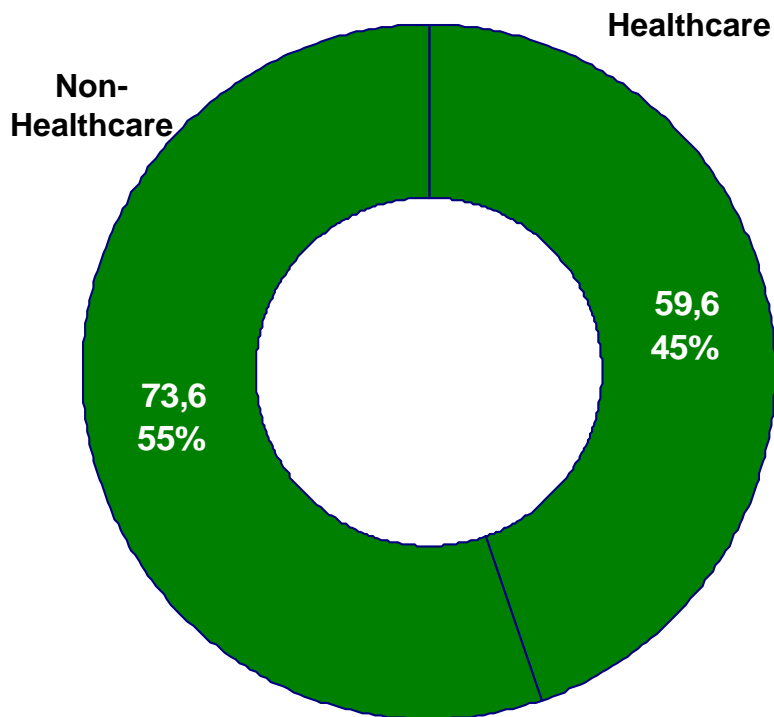
Source: 2005 and 2006 pro forma IFRS financial information  
2007 and 2008 company's estimations



# Breakdown by Business – H1'07

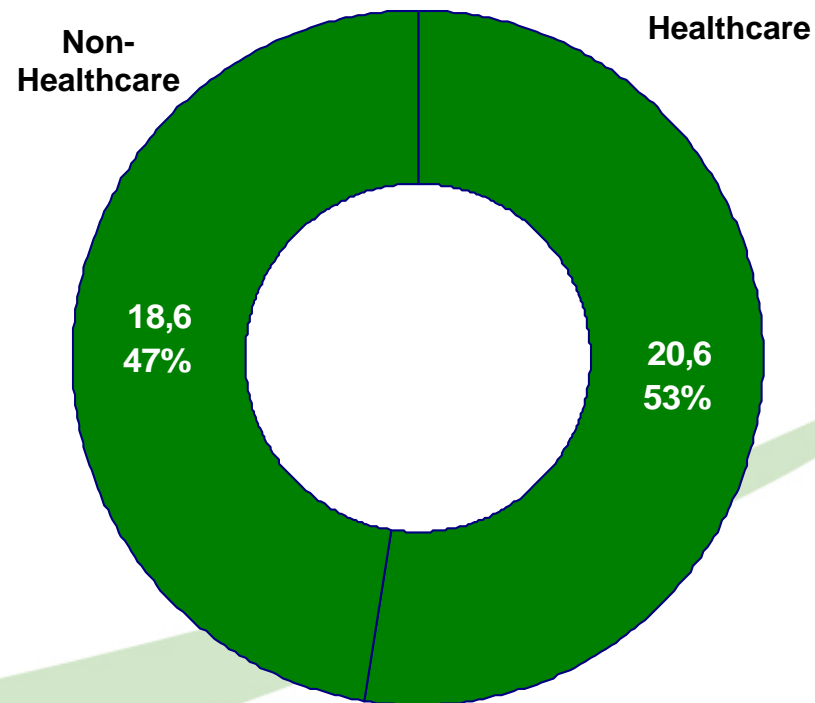
## Revenues

(€ in million)



## EBITDA

(€ in million)



Source: H1'07 IFRS financial information

# Financial Highlights – Balance Sheet



(€ in million)

	Veterin <sup>(a)</sup>	Alapis	
	2006	Pro forma 2006 <sup>(b)</sup>	H1'07
Cash	9.1	17.4	79.7
Current Assets <sup>(c)</sup>	37.9	156.9	324.1
Tangible Assets	40.6	176.6	207.5
Total Assets	90.1	985.0	1,179.3
Current Liabilities	18.5	129.8	308.3
Total Debt	28.0	128.4	292.9
Other Long-Term Liabilities	14.9	14.9	17.2
Shareholders' Equity	30.3	738.1	757.5
Total Liabilities & Shareholders' Equity	90.1	985.0	1,179.3

(a) Audited 2006 IFRS financial information

(b) Pro forma 2006 and Q1'07 IFRS financial information as per Company reported financial information

(c) Including cash