



we care

Consolidated financial results – First Semester 2010 (1/1-30/06/2010)

Athens, 6 August, 2010

ALAPIS HOLDING INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME OF PHARMACEUTICAL & CHEMICAL PRODUCTS (“**Alapis**” or the “**Group**”) announces its consolidated financial results for the first half of 2010.

Consolidated turnover from continuing operations increased by 11.4% and reached €422.7 mil., compared to €379.6 mil in the respective period in 2009, which is mainly attributed to the successful launch of new generic pharma products, as well as to the strengthening of the Group’s pharmaceutical products position in the market. It is noted that in June 2010 Alapis disposed of its non-human health activities, including cosmetics & liquid detergents, animal health and medical devices and diagnostics.

Total consolidated turnover decreased by 1.5% to €518.4 mil. in the first half of 2010 compared to €526.1 mil. in the first half of 2009.

Consolidated Earnings before Interest, Tax, and Depreciation and Amortisation (EBITDA) from continuing operations increased by 12.1% to €138.6 mil. versus €123.7 mil. in the corresponding period of 2009. EBITDA margin from continuing operations stood at 32.8% compared to 32.6% in the respective period in 2009, which is attributed to the ongoing increase of the share of generic pharma products in the Group’s sales mix.

Total consolidated EBITDA decreased by 10.5% to €153.1 mil. compared to €171.0 mil. in the first half of 2009. Total EBITDA margin stood at 29.5% versus 32.5% in the respective period of 2009.

Earnings after tax and minorities from continuing operations stood at €25.1 mil. experiencing a decrease of 52.2%, compared to €52.4 mil. in the corresponding period of 2009; this is attributed to the higher depreciation expense and to a €10.8 mil. extraordinary tax contribution provision. Apart from the above, the decrease of earnings from discontinued operations by 99.1% and the goodwill impairment charge of €7.4 mil. resulting from the disposal of the liquid detergents division resulted to consolidated earnings after tax and minorities of €25.3 mil., down by 66.4% compared to the respective period in 2009 (€75.2 mil.).

GROUP FINANCIAL RESULTS - FIRST HALF, 2010

(€000)	1.1-30.06.2010	1.1-30.06.2009	% change
Turnover from continuing operations	422,727	379,576	↑ 11.4%
Total turnover	518,407	526,101	(1.5)%
EBITDA from continuing operations	138,623	123,650	↑ 12.1%
Total EBITDA	153,143	171,044	(10.5)%

Total EBITDA excluding goodwill impairment	160,516	171,044	(6.2)%
Earnings before taxes from continuing operations	44,898	59,514	(24.6)%
Total earnings before taxes	49,479	90,621	(45.4)%
Earnings after taxes & minorities from continuing operations	25,088	52,432	(52.2)%
Total earnings after taxes & minorities	25,282	75,171	(66.4)%
Adjusted total earnings after taxes & minorities *	43,462	75,171	(42.2)%

* Adjusted for the goodwill impairment charge of €7.4 mil. due to the disposal of the Liquid Detergents division and the extraordinary tax contribution provision of €10.8 mil.

Pharmaceutical division

The turnover of the Pharmaceutical division in the first half of 2010 stood at €400.2 mil. marking a 9.2% increase from the respective period of 2009 (€366.6 mil.). The division's EBITDA for the period stood at €133.6 mil., up by 11.8% versus €119.5 mil. in the respective period in 2009. This increase of turnover and EBITDA is attributed to the successful launch of new generic pharma products, the strengthening of the Group's pharmaceutical products position in the market as well as to new product launches for multinational representation. EBITDA margin stood at 33.4% compared to 32.6% in the respective period in 2009.

Other activities division (Powder detergents)

The Powder detergents division turnover in the first half of 2010 stood at €22.5 mil. compared to €13.0 mil. in the respective period in 2009, marking a 73.3% increase. The division's EBITDA reached €5.1 mil. compared to €4.2 mil. in the respective period in 2009, or a 21.8% increase. The EBITDA margin stood at 22.5% compared to 32.0% in the respective period in 2009.

Discontinuing operations

Following management's decision to dispose of the Group's non-human health activities, turnover in the first half of 2010 from discontinued operations stood at €95.7 mil. marking a 34.7% year on year decrease (H1 2009: €146.5 mil.). The decrease is mainly attributed to the country's adverse macroeconomic conditions and their impact on the consumption of the products offered by such discontinued operations.

Consolidated EBITDA from discontinued operations decreased by 69.4% to €14.5 mil., compared to €47.4 mil. in the respective period of 2009. It is noted that continuing results were burdened by an amount of €7.4 mil. pertaining to the goodwill impairment of the Liquid Detergents division that was sold. EBITDA margin stood at 15.2% and the EBITDA margin adjusted for the goodwill impairment stood at 22.9%, compared to 32.3% in the first half of 2009. The decrease in EBITDA margin is mainly attributed to the inelastic nature of the production cost base.

Goals and Perspectives

Since its inception, Alapis' strategic objective has been to grow and develop its business in the human pharmaceutical sector by focusing on the Research and Development and the Marketing of generic and generic plus pharma products.

Following recent changes in Greek legislation regarding the pricing of the medicines, generics pharma products are expected to experience further penetration in the Greek market, a fact attributed so much as to their lower pricing as well as to their lower penetration in Greece in relation to other European countries.

Following sizeable investments both in specialised infrastructure and facilities, as well as in the training and development of its workforce, Alapis has now set the grounds for its establishment as one of the largest pharmaceutical companies not only in Greece but also in the wider region of South East Europe.

Today, Alapis owns a broad portfolio consisting of 421 pharmaceutical products in circulation and 183 generics in pipeline that in conjunction with its long term collaborations with substantial international pharmaceutical groups for the development and representation of medicines, enhance Group's potential and prospects.

Alapis by further exploiting its knowhow and experience moves forward by further investing in the research and development which comprise the necessary grounds for its growth in the pharmaceuticals sector, through the establishment of new strategic joint ventures with multinational companies as well as via the expansion of activity to neighboring markets.