



## ***2008 I Q results***

***May 2008***



# Sanitas, overview of the results for the 1<sup>st</sup> quarter 2008

- Sanitas finished the 1st quarter of 2008 with a sales level of 96.7 mLTL and 30.0 mLTL EBITDA;
- Sanitas furthermore expanded its activities in all regions, thus decreasing its exposure to one market;
- Sales of own sales share in total sales increased comparing to the same period last year (79.6% vs. 74.3%);
- Due to dropping USD rates, Sanitas shifted almost all USD based sales to EUR based sales;
- New factory in Kaunas (Lithuania) progressing according to the schedule.

# Sanitas, Financial results

INCOME STATEMENT (mLTL)	Group		Company	
	Q1 2008	Q1 2007	Q1 2008	Q1 2007
Sales	96.7	77.0	10.5	10.5
Cost of sales	(42.7)	(42.0)	(5.4)	(4.8)
<b>Gross profit</b>	<b>54.0</b>	<b>34.9</b>	<b>5.2</b>	<b>5.6</b>
Other income	0.8	0.1	0.3	0.0
Selling and distribution expenses	(26.4)	(10.4)	(1.0)	(0.4)
Administrative expenses	(8.4)	(10.1)	(2.8)	(2.0)
Other expenses	(0.2)	(0.0)	(0.3)	(0.0)
<b>Operating profit</b>	<b>19.8</b>	<b>14.4</b>	<b>1.4</b>	<b>3.2</b>
Financial income	0.6	1.0	0.1	2.5
Financial expenses	(8.5)	(5.8)	(0.5)	(0.5)
<b>Financial activity</b>	<b>(7.9)</b>	<b>(4.9)</b>	<b>(0.5)</b>	<b>1.9</b>
<b>Profit (loss) before taxes</b>	<b>11.9</b>	<b>9.6</b>	<b>1.0</b>	<b>5.2</b>
Income tax expense	(1.6)	(3.4)	(0.2)	(0.9)
<b>Net profit (loss)</b>	<b>10.3</b>	<b>6.2</b>	<b>0.8</b>	<b>4.3</b>
<b>Basic and diluted earnings (loss) per share (in LTL)</b>	<b>0.33</b>	<b>0.20</b>	<b>N/A</b>	<b>N/A</b>

# Sanitas, overview of main indicators

KEY INDICATORS (mLTL)	Group		
	Q1 2008	Q1 2007	y-o-y
Sales	96.7	77.0	25.6%
Gross profit	54.0	34.9	54.6%
EBITDA	30.0	24.5	22.6%
EBIT	19.8	14.4	37.2%
EBT	11.9	9.6	24.0%
Net profit (loss)	10.3	6.2	65.7%

- Main growth markets in 2008 were Russia (+8.8 mLTL of sales, compared to the same period one year ago), Poland (+7.5 mLTL) and Baltics (+1.8 mLTL).
- Gross profit grew faster than the sales because of better capacity utilization in Jelfa (Poland) and also due to changes in product portfolio (shift towards own products).

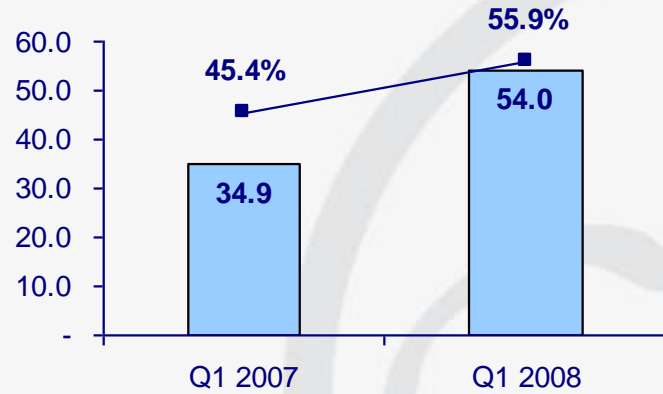
# Sanitas, margin dynamics

MARGINS	Group	
	Q1 2008	Q1 2007
Gross profit margin	55.9%	45.4%
EBITDA margin	31.1%	31.8%
EBIT margin	20.5%	18.8%
EBT margin	12.3%	12.5%
Net profit margin	10.7%	8.1%

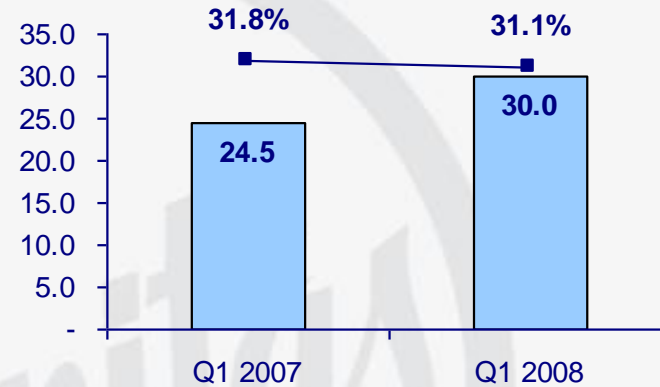
Gross margin increased due to better structure of product portfolio. Revenues coming from contract manufacturing made more than 25% percent of total revenues in the 1<sup>st</sup> quarter 2007 compared to 20.4% in the 1<sup>st</sup> quarter 2008. In terms of own products to contract manufacturing ratio, the 1<sup>st</sup> quarter 2007 was different from the subsequent periods in 2007 and therefore historical margin of 2007 improved in periods that came after the 1<sup>st</sup> quarter 2007.

# Sanitas, operating performance

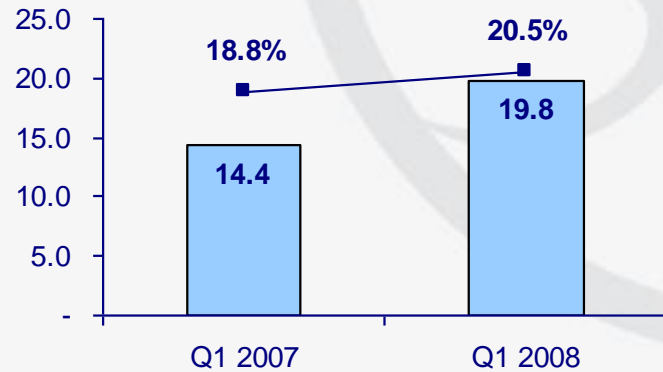
## Gross profit and gross margin



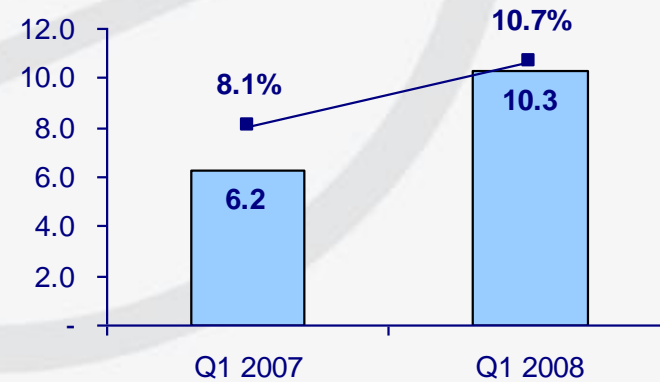
## EBITDA and EBITDA margin



## EBIT and EBIT margin

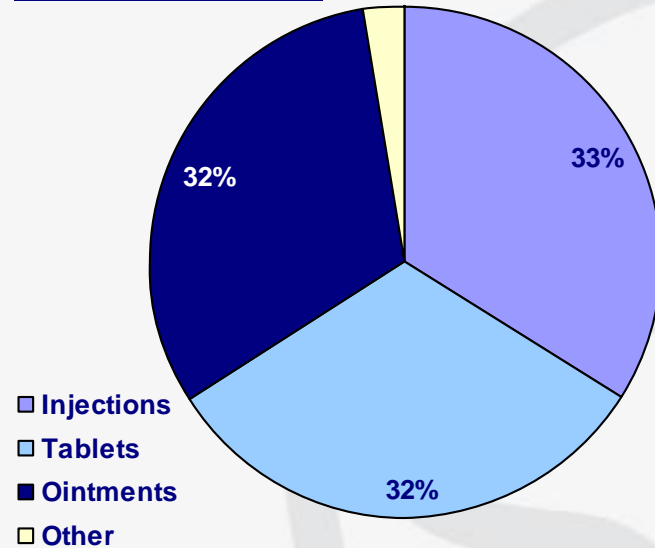


## Net profit and margin



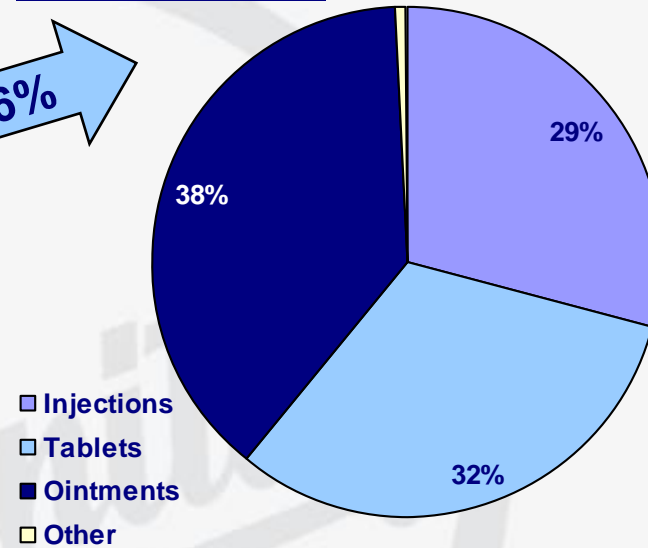
# Sanitas, sales by product group

1Q 2007, 77.0 mLTL



1Q 2008, 96.7 mLTL

25.6%

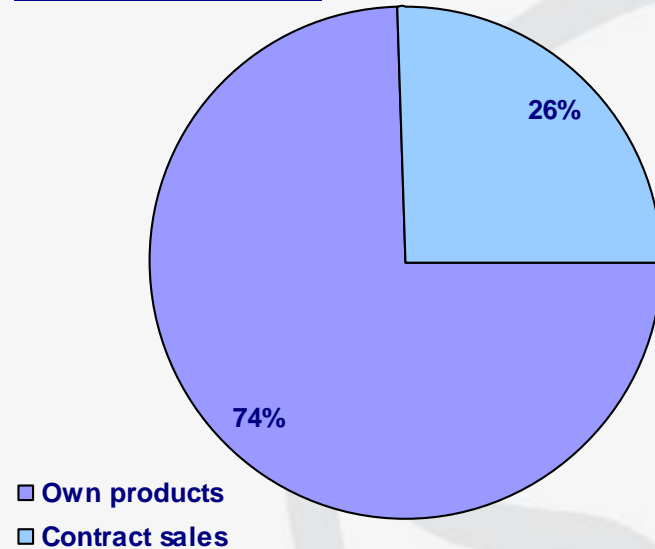


Total sales went up to 96.7 mLTL or by 25.6%. On a consolidated basis sales of own products grew 34.6%, contract manufacturing remained at the same level as one year ago.

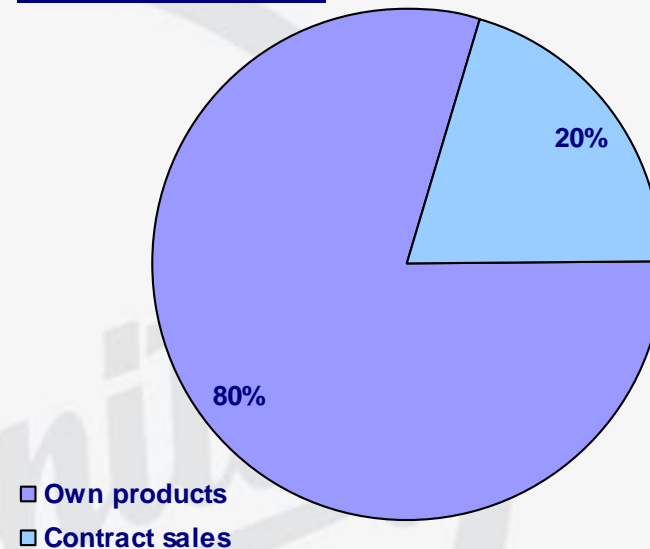
Sales are presented net of all discounts.

# Sanitas, own products vs. contract manufacturing

1Q 2007, 77.0 mLTL



1Q 2008, 96.7 mLTL

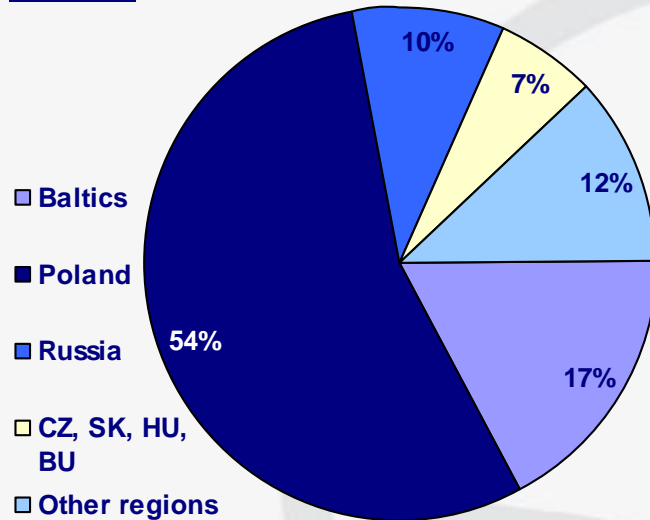


Own products made 80% of all sales. Sales of own products amounted to 77.0 mLTL in 1<sup>st</sup> quarter 2008 (57.2 mLTL in 1<sup>st</sup> quarter 2007). Contract manufacturing to total sales added 19.7 mLTL (19.8 mLTL last year).

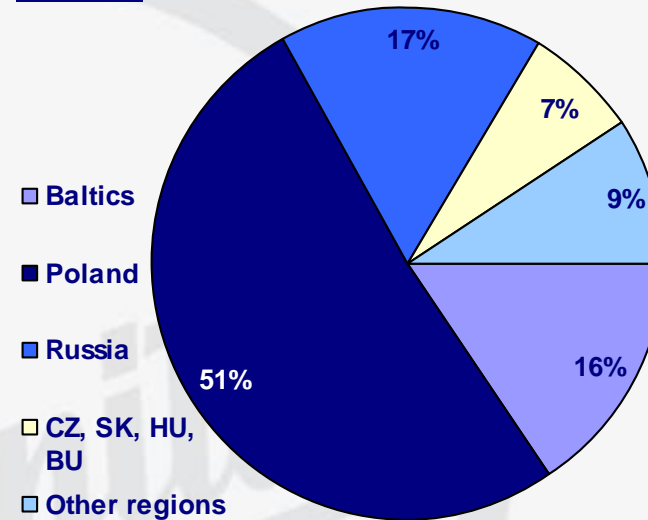


# Sanitas, sales by geography

1Q 2007

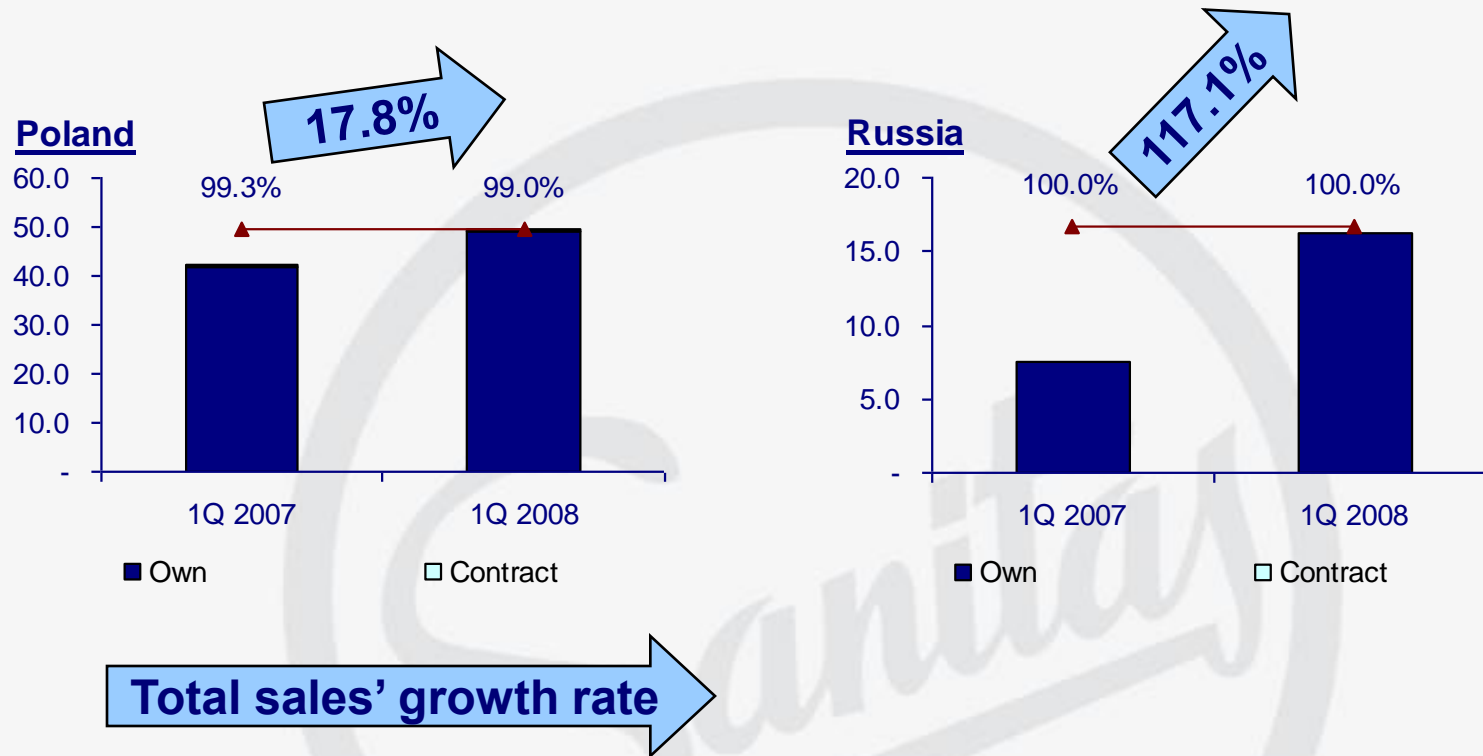


1Q 2008



Sales in Poland grew by 7.5 mLTL (17.8%). Sales in other regions grew even faster, which resulted that share of sales in Poland decreased comparing to 1<sup>st</sup> quarter 2007. Major growth was in Russia (sales in Russia more than doubled) which came as a result of strengthened team in Moscow office.

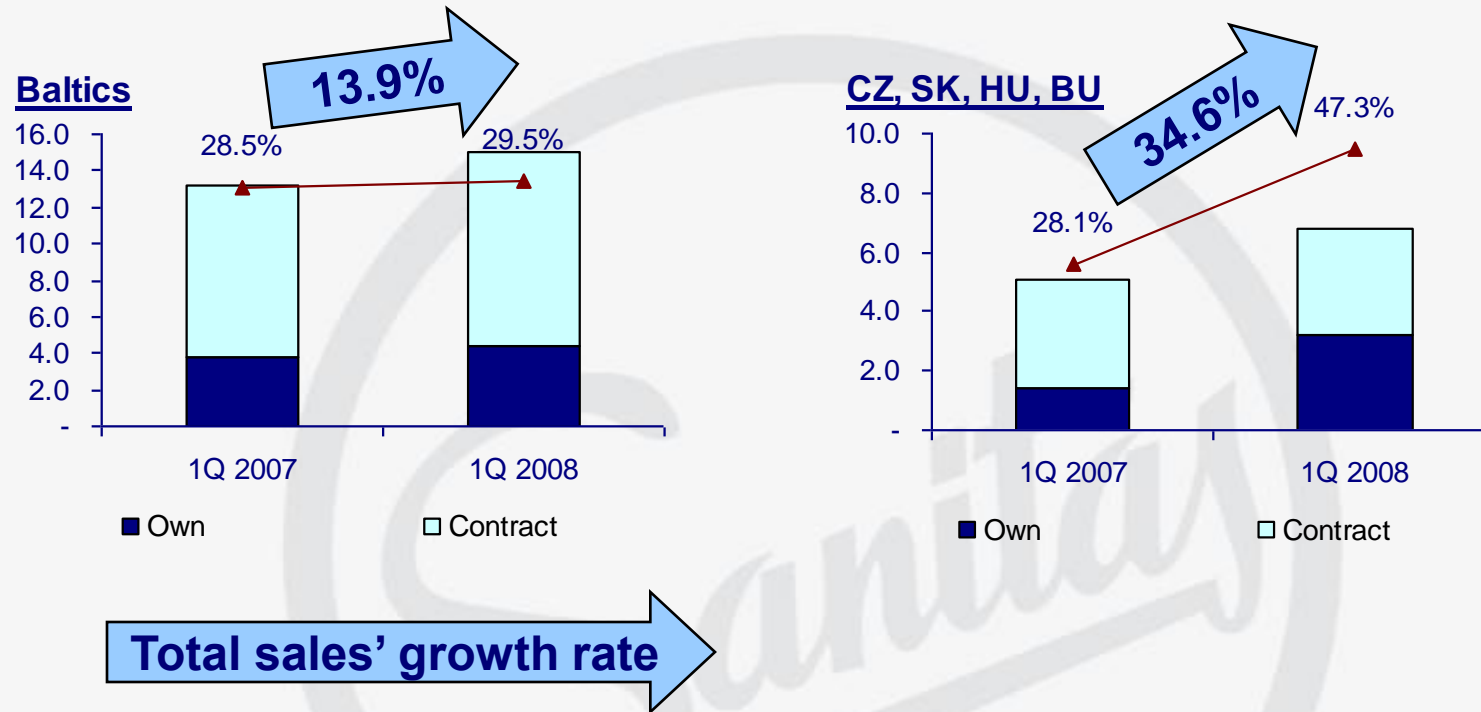
# Sanitas, Poland and Russia



Revenues in Poland mainly comes from sales of own products. Own products made 99% of all revenues in the 1<sup>st</sup> quarter 2008.

In Russia only own products are sold. Sales in Russia grew by 117.1% and reached level of 16.3 mLTL during the 1<sup>st</sup> quarter 2008.

# Sanitas, Baltics and other markets



Revenues in Baltic region grew by 13.9% up to 15.1 mLTL. Share of own products in total portfolio increased up to 29.5% during the 1<sup>st</sup> quarter 2008.

Revenues in Czech, Slovakia, Hungary and Bulgaria grew by 34.6% reaching total of 6.8 mLTL. Share of own products increased up to 47.3%, because we are focusing now on commercial sales in this region, which was not done last year.

# Sanitas, Regulatory activities

MRP/ DCP approvals. 7 approvals received during the 1<sup>st</sup> quarter 2008;

New registrations. 29 new dossiers compiled and 7 dossiers submitted for approval;

Renewals. 7 renewal files compiled, 2 submitted, 3 renewals approved;

Variations. 37 Type I variations approved and 2 Type II variations approved;

MRP variations. 12 Type I variations approved.