



2008 I H results

August 2008



Sanitas, overview of the results for the 1st half 2008

- Sanitas finished the 1st half of 2008 with a sales level of 193.6 mLTL and 57.4 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 (80.5% vs. 77.5%);
- 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	
	H1 2008	H1 2007	H1 2008	H1 2007
Sales	193.6	166.8	16.6	19.2
Cost of sales	(86.2)	(83.2)	(8.5)	(8.9)
Gross profit	107.5	83.6	8.1	10.3
Other income	1.6	5.4	0.3	1.8
Selling and distribution expenses	(51.5)	(29.7)	(1.9)	(0.9)
Administrative expenses	(20.9)	(17.0)	(7.3)	(4.5)
Other expenses	(0.1)	(2.9)	(0.3)	(0.0)
Operating profit	36.7	39.5	(1.1)	6.7
Dividends	-	-	-	2.7
Financial income	1.4	0.3	0.1	4.9
Financial expenses	(16.6)	(11.1)	(1.1)	(1.0)
Financial activity	(15.2)	(10.9)	(1.0)	6.6
Profit (loss) before taxes	21.5	28.6	(2.1)	13.2
Income tax expense	(0.8)	(6.6)	0.2	(1.9)
Net profit (loss)	20.7	22.0	(2.0)	11.4
Basic and diluted earnings (loss) per share (in LTL)	0.66	0.71	N/A	N/A

Sanitas, overview of main indicators

KEY INDICATORS (mLTL)	Group		
	H1 2008	H1 2007	y-o-y
Sales	193.6	166.8	16.1%
Gross profit	107.5	83.6	28.6%
EBITDA	57.4	59.4	-3.3%
EBIT	36.7	39.5	-7.1%
EBT	21.5	28.6	-24.9%
Net profit (loss)	20.7	22.0	-6.2%

- Main growth markets in 2008 were Poland (+12.9 mLTL of sales, compared to the same period one year ago) and Russia (+8.9 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).

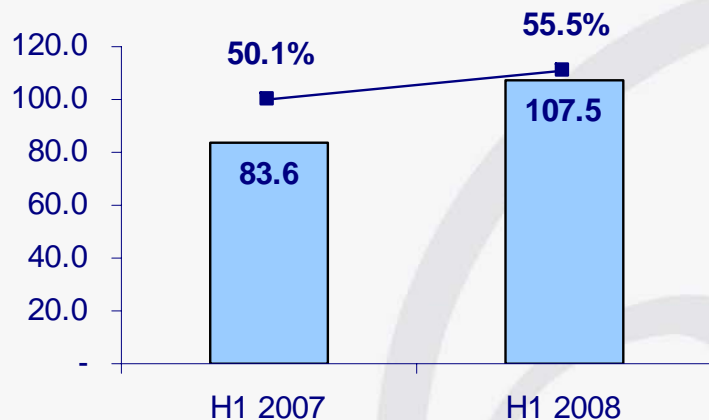
Sanitas, margin dynamics

MARGINS	Group		tLTL	
	H1 2008	H1 2007	H1 2008	H1 2007
Gross profit margin	55.5%	50.1%	107.5	83.6
EBITDA margin	29.7%	35.6%	57.4	59.4
EBIT margin	18.9%	23.7%	36.7	39.5
EBT margin	11.1%	17.1%	21.5	28.6
Net profit margin	10.7%	13.2%	20.7	22.0

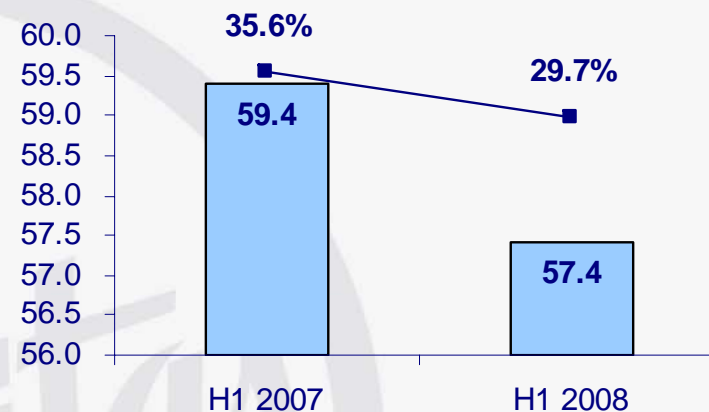
Gross margin increased due to better structure of product portfolio. Revenues coming from contract manufacturing made 22.5% percent of total revenues in the 1st half 2007 compared to 19.5% in the 1st half 2008.

Sanitas, operating performance

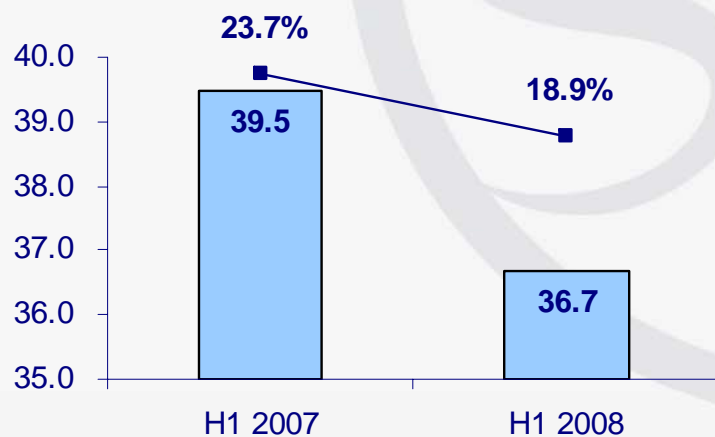
Gross profit and gross margin



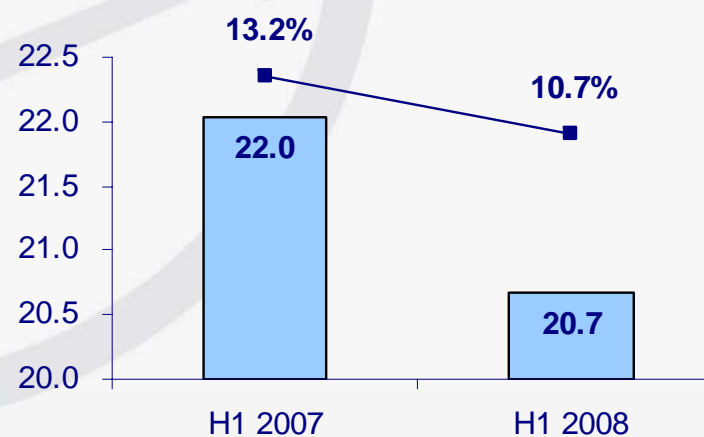
EBITDA and EBITDA margin



EBIT and EBIT margin

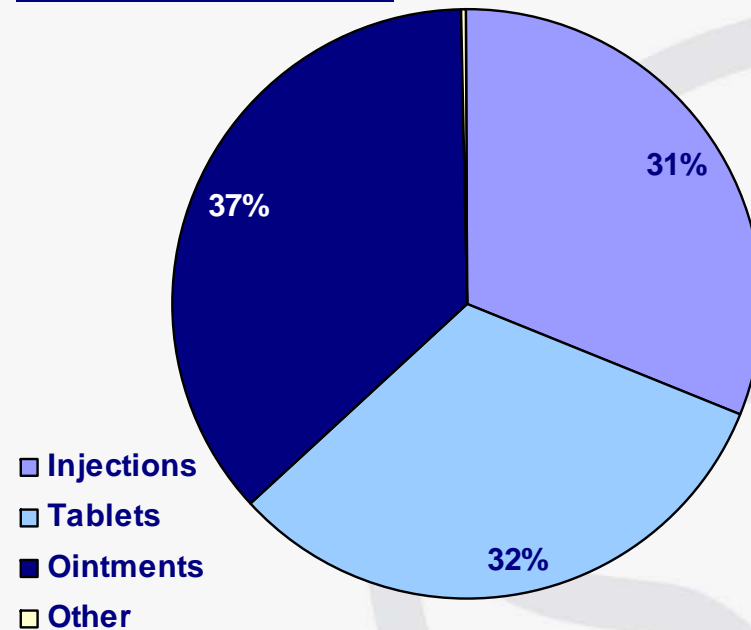


Net profit and margin

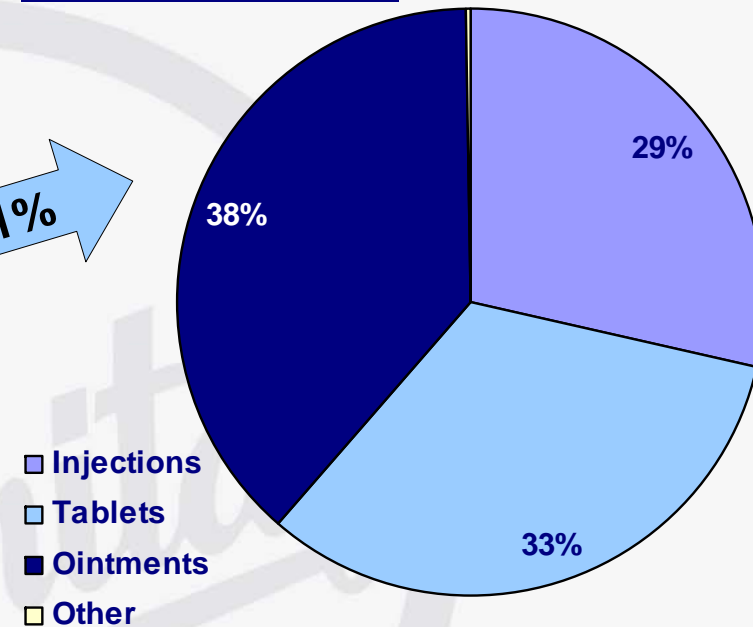


Sanitas, sales by product group

1H 2007, 166.8 mLTL



1H 2008, 193.6 mLTL



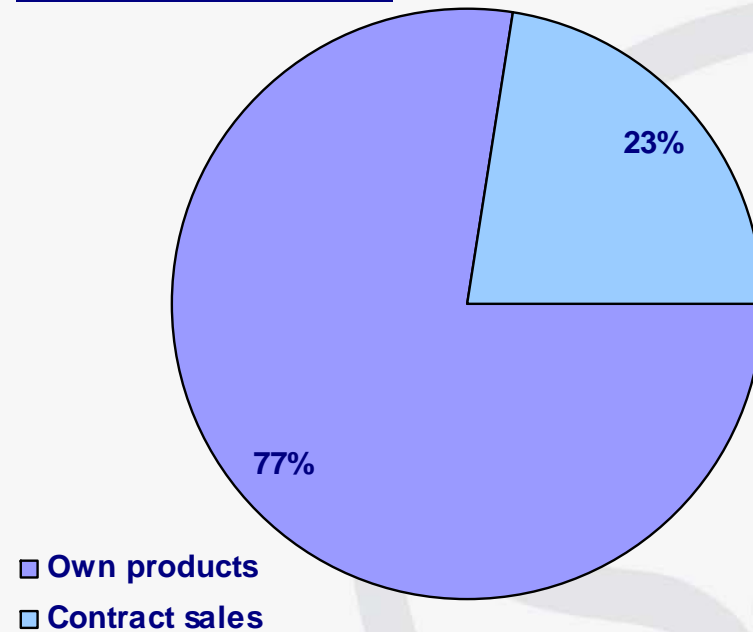
16.1%

Total sales went up to 193.6 mLTL or by 16.1%. On a consolidated basis sales of own products grew 20.6%, contract manufacturing remained at the same level as one year ago.

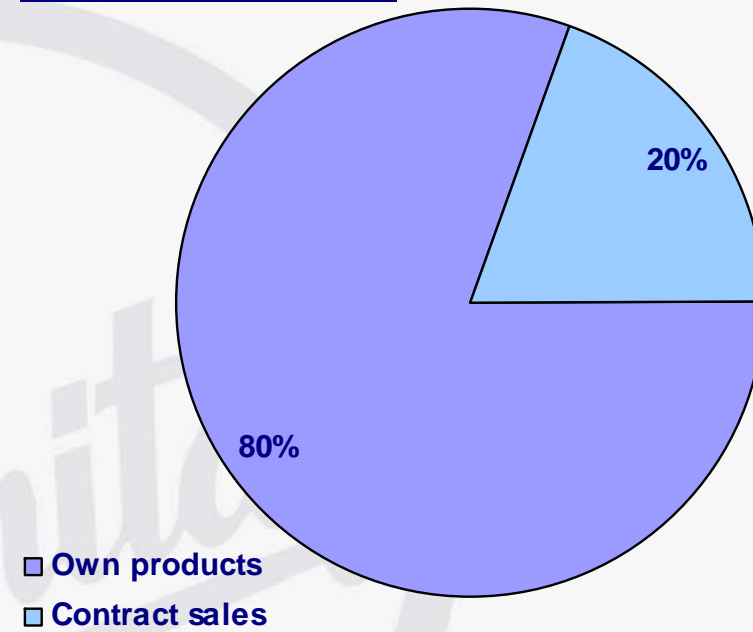
Sales are presented net of all discounts.

Sanitas, own products vs. contract manufacturing

1H 2007, 166.8 mLTL



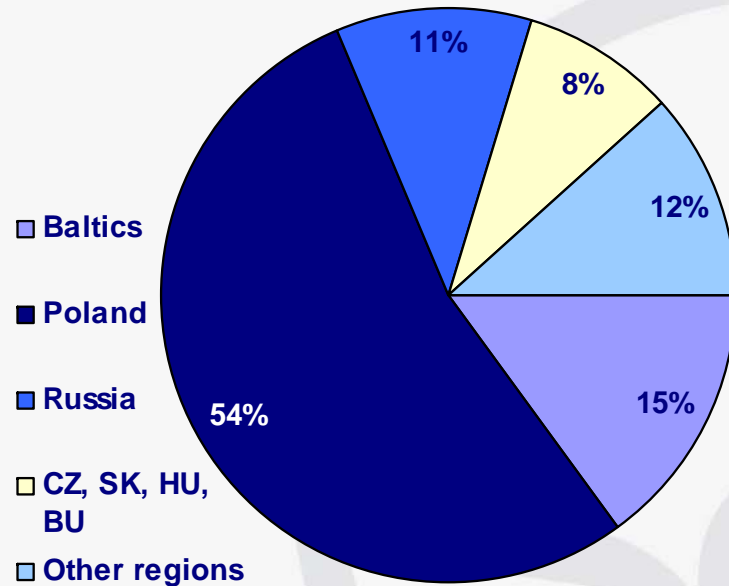
1H 2008, 193.6 mLTL



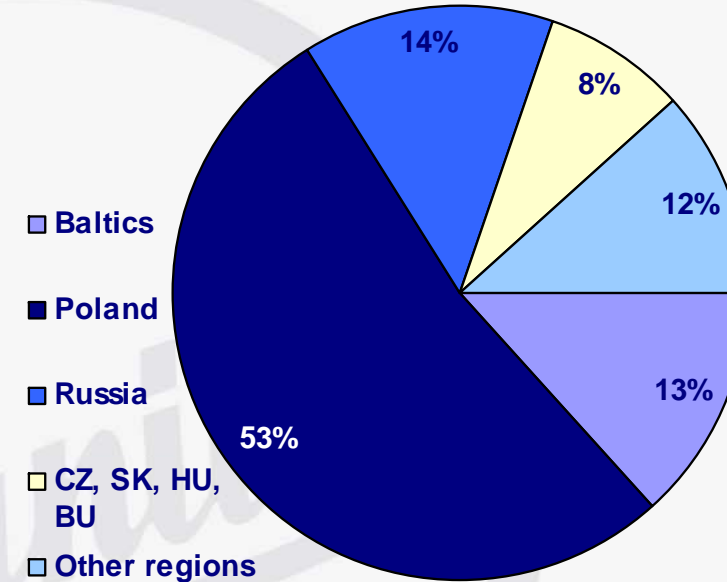
Own products made 80% of all sales. Sales of own products amounted to 155.8 mLTL in 1st half 2008 (129.2 mLTL in 1st half 2007). Contract manufacturing to total sales added 37.8 mLTL (37.5 mLTL last year).

Sanitas, sales by geography

1H 2007



1H 2008



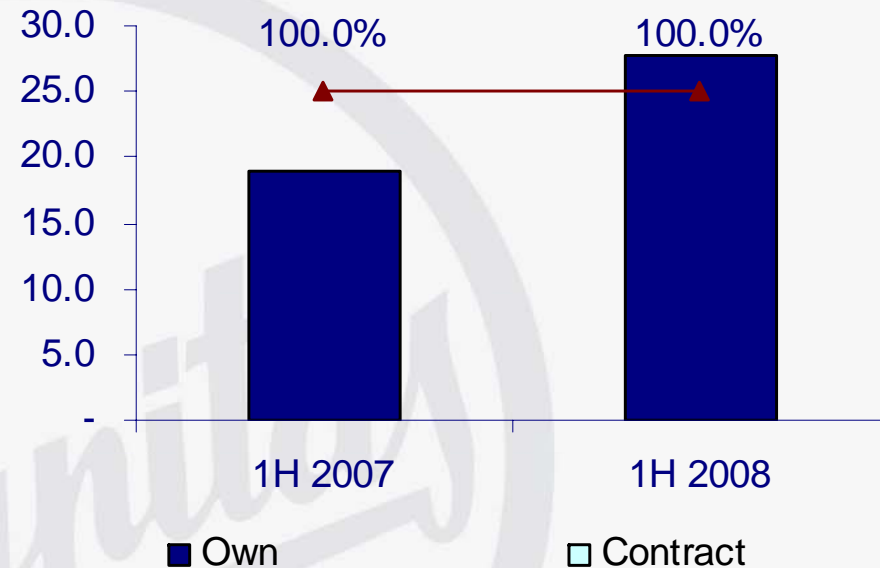
Sales in Poland grew by 12.9 mLTL (14.4%). Sales in other regions grew even faster, which resulted that share of sales in Poland decreased comparing to 1st half 2007. Major growth was in Russia which came as a result of strengthened team in Moscow office.

Sanitas, Poland and Russia

Poland



Russia

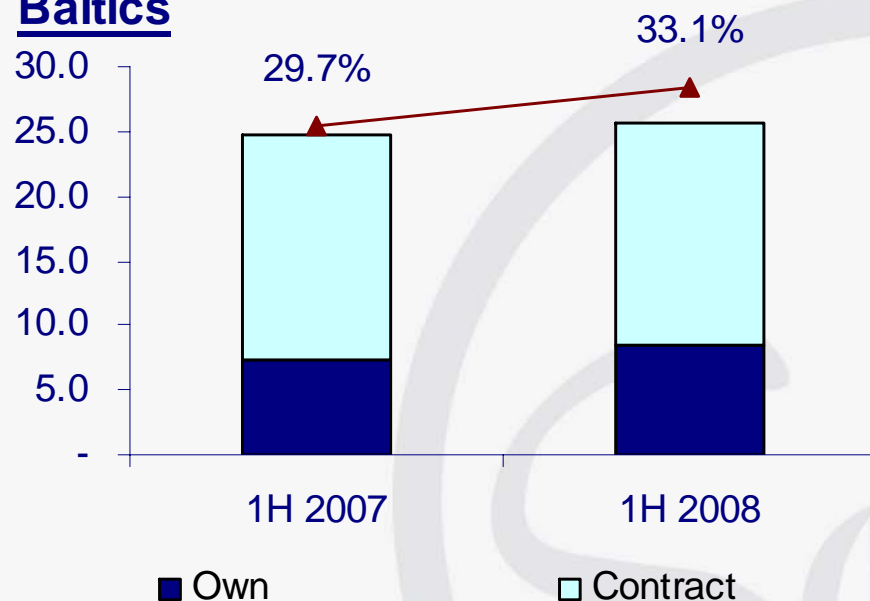


Revenues in Poland mainly comes from sales of own products. Own products made 99% of all revenues in the 1st half 2008.

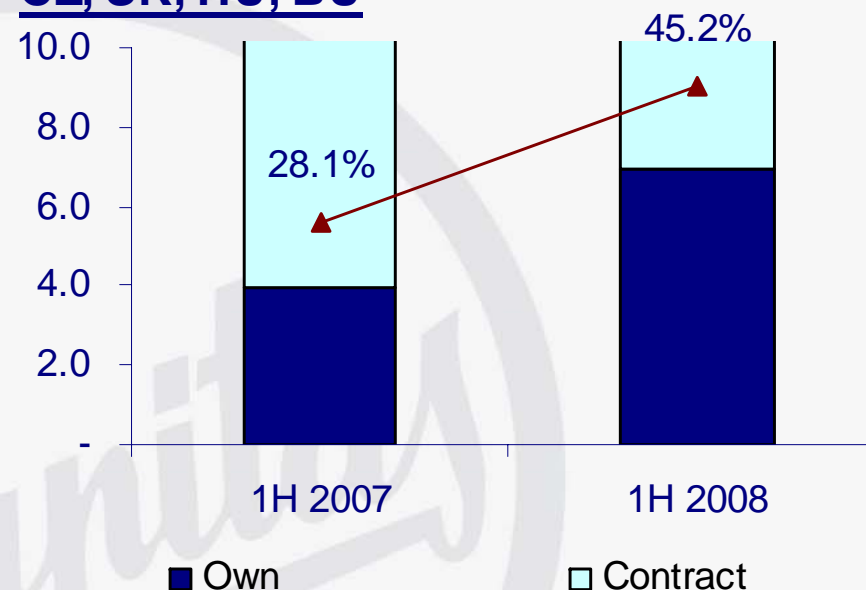
In Russia only own products are sold. Sales in Russia grew by 47.2% and reached level of 27.8 mLTL during the 1st half 2008.

Sanitas, Baltics and other markets

Baltics



CZ, SK, HU, BU



Revenues in Baltic region grew by 3.2% up to 25.6 mTL. Share of own products in total portfolio increased up to 33.1% during the 1st half 2008.

Revenues in Czech, Slovakia, Hungary and Bulgaria grew by 10.0% reaching total of 15.4 mTL. Share of own products increased up to 45.2%, because we are focusing now on commercial sales in this region, which was not done last year.

Sanitas, Regulatory activities

MRP/ DCP approvals. 24 approvals received during the 1st half 2008;

New registrations. 69 new dossiers compiled and 57 dossiers submitted for approval;

Renewals. 32 renewal files compiled, 22 submitted, 23 renewals approved;

Variations. 47 Type I variations approved and 5 Type II variations approved;

MRP variations. 50 Type I variations approved and 28 Type II variations approved