

## PRESS RELEASE

### ANNOUNCEMENT TO THE SHAREHOLDERS

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#### **Vemedia Pharma acquires the Sleepzz trademark and strengthens its position on the Dutch market for sleeping and tranquilizer products**

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#### **Consolidated results for the first half year 2010**

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Kortrijk (Belgium), 1 september 2010

#### **Acquisition of the Sleepzz trademark**

As of September 1<sup>st</sup>, Vemedia Pharma acquired the Dutch trademark Sleepzz from Liberty Healthcare BV. Sleepzz is a leading product in the category of OTC tranquilizers and sleeping products and is wellknown for its melatonin products.

This acquisition reinforces Vemedia's market position: Sleepzz will join trademarks such as Valdispert and Melatomatine, which makes Vemedia the uncontested leader on the Dutch market in the category of over-the-counter sleeping and tranquilizer products. With Valdispert, Vemedia has a strong market position in this product category in other European countries as well.

The acquisition is financed by additional bank debt and a subordinated loan from existing shareholders.

#### **Consolidated results for the 1<sup>st</sup> half year 2010**

In the first half year of 2010 net revenue amounted to KEUR 25.662 resulting in an EBITDA of KEUR 3.036. During the first quarter, the net revenue suffered from the crisis and a strict inventory management by some large customers. But in the second quarter, sales recovered which allowed Vemedia to end the first half year 4% higher compared to the same period prior year.

The higher operating costs are due to extra investments in advertising and promotion to support the launch of a whole series of new products and line extensions in different countries. As a result EBITDA decreased by 23,6%, but these investments will result in a strong growth during the second half year, both in net revenue and in EBITDA.

Based on July and August figures, Vemedia is optimistic for the second half year. Medicines, raw materials and insecticides continue to perform well. Vemedia also won distribution contracts for Footner and SebaMed, which contribute to the growth.

**Yvan Vindevogel, CEO of Vemedia:** *"Vemedia's most important brands like Dagravit, ABC Chemicals and Valdispert, maintain a solid position in their respective markets. Vemedia's*

focus on strong brands is paying off. The first 6 months of 2010 are marked by heavy investments in the launch of new products and line extensions, which will result in a strong second half year. The current trend strengthens Vemedia Pharma's confidence in the future".

**Key figures as of 30/06/2010 (IFRS)**

<b>INCOME STATEMENT ('000 EUR)</b>	<b>30/06/2010 (6 months)</b>	<b>30/06/2009 (6 months)</b>	<b>Evolution</b>
<b>Netto Revenue</b>	<b>25.662</b>	<b>24.662</b>	<b>+4,1%</b>
Gross Margin	16.216	15.887	+2,1%
<i>As % of net revenue</i>	<i>63,2%</i>	<i>64,4%</i>	
Operating Costs	-13.180	-11.914	+10,6%
<b>EBITDA</b>	<b>3.036</b>	<b>3.973</b>	<b>-23,6%</b>
<i>As % of net revenue</i>	<i>11,8%</i>	<i>16,1%</i>	

**About Vemedia Pharma**

The Vemedia Pharma Group, including operating companies in Diemen (the Netherlands), Woutersbrakel (Belgium), Barcelona (Spain) and Turin (Italy), is a leading and innovative player in OTC (prescription-free medicines), self-care and in-pharmacy-compounding. The group is active in various European countries and also exports its products beyond Europe.

For additional information about the Vemedia Pharma Group see [www.vemediapharma.com](http://www.vemediapharma.com).

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