

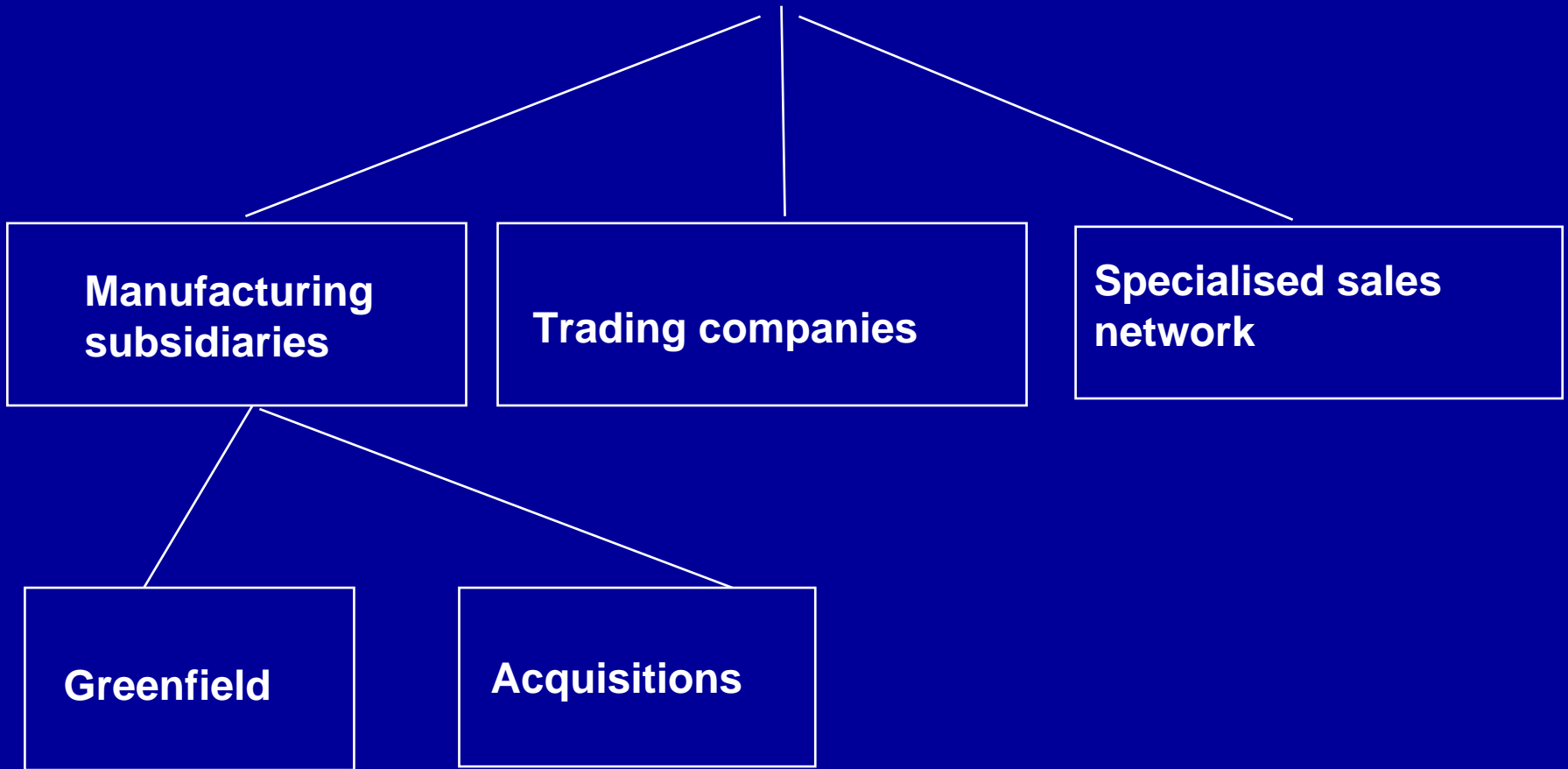


GEDEON RICHTER

Richter Group – Consolidated Report

**Annual General Meeting
Budapest, April 28 2008**

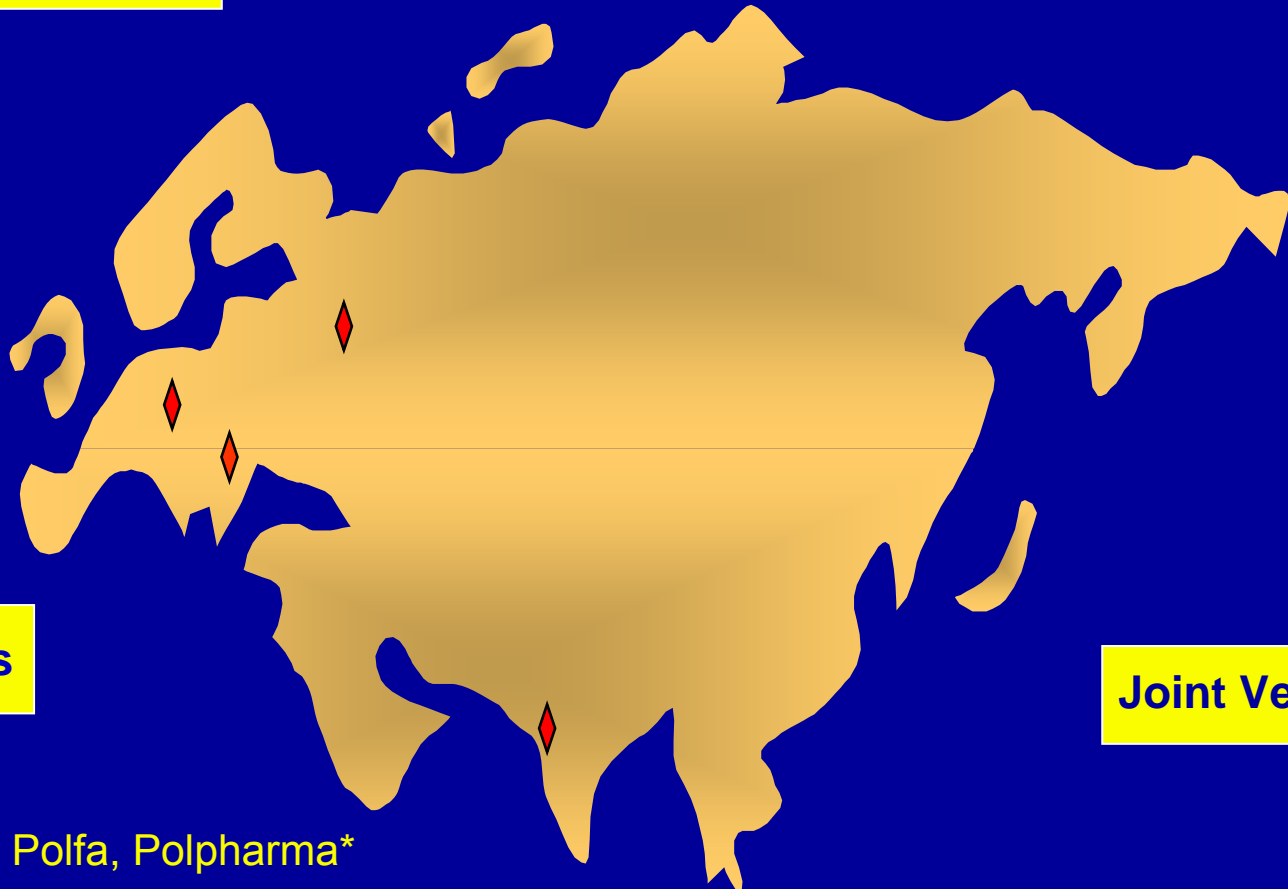
Richter - regional multinational company



Richter manufacturing companies in abroad

Greenfield investment

← **Russia – Gedeon Richter-RUS**



Acquisitions

Poland – GZF Polfa, Polpharma*

Germany – Richter – Helm Biologics Co. & KG

Romania — Gedeon Richter Romania

Joint Venture

India – Richter-Themis Ltd.

* Subject to regulatory approval



Sales network

30 countries
30 branch offices
14 commercial subsidiaries



Gedeon Richter - RUS



GR-RUS – added value deriving from local manufacturing

◆ Greenfield investment

- 1996
- 100 km south-east from Moscow

◆ Investment projects during 2007

- warehouse capacity expansion – operation expected in Q2, 2008

Gedeon Richter Romania



GR Romania – company acquisitions

◆ Acquisition

– May 1998

◆ Strategic investment programme in 2007

– Establishment of a logistics centre at Koronka for the Marosvasarhely plant

◆ Acquisitions – strengthening our pharma market position

– Sibofarm S.A. – wholesaling

– Dita-group – wholesaling

– PharmaFarm S.A. – wholesaling

– 168 pharmacies – retailing



GZF Polfa



GZF Polfa – strengthening our regional market position

- ◆ **Strategic acquisition in Poland – increasing ownership structure**
 - 51 % as of 2002
 - 63 % as of 2003
 - 70 % as of 2006
- ◆ **Transaction related benefits**
 - Poland – 3rd largest export market after Russia and USA
 - supplementary product portfolio
 - GMP compliant facilities
 - favorable location: 35 km south-west from Warsaw
- ◆ **Successful accomplishment of a 5 year investment program**



Richter-Themis Ltd.



Richter-Themis Ltd.

◆ **Joint Venture agreement**

- Richter-Themis Medicare Private Ltd.
- 51 % share
- established in August 2004.

◆ **Production**

- intermediates

◆ **Construction of new facilities**

- gradual launch of production from early 2006
- the setting up of an API production plant, a pilot plant and other infrastructural developments started and completed in 2007

◆ **Strategic goal**

- to increase synthetic production capacity
- to improve competitiveness



Subsidiaries and JV with significant sales levels (before consolidation)

	2007 US\$m	2006 US\$m	Change %
GZF Polfa	63.5	56.0	13.4
Gedeon Richter-RUS	34.0	25.9	31.3
Gedeon Richter Romania	25.8	20.5	25.9
DITA Import Export	102.7	-	n.a.
Medimpex Gyógyszer-nagykereskedelmi Zrt.*	89.8	90.8	-1.1

* Sales levels are proportional with Richter's ownership ratio



Comparative figures I. – 2007

	Richter Group HUFm	Parent company HUFm	Group / Parent %
Total sales	224 076	171 216	130.9
Gross profit	119 697	102 079	117.3
Operating profit	36 283	34 794	104.3
Net profit	33 336	35 514	93.9
Total assets	347 963	326 266	106.7
Shareholders' equity	306 183	305 953	100.1
Cash & cash equivalents at end of year	49 831	42 784	116.5

Comparative figures II. – 2007

	Richter Group %	Parent company %
Gross margin	53.4	59.6
Operating margin	16.2	20.3
(Profit for the year) Net margin	14.9	20.7
(Profit for the year) Net profit / Total assets	9.6	10.9
(Profit for the year) Net profit / Shareholders' equity	10.9	11.6
Earnings per share, diluted (EPS, HUF)	1789	1 906

Consolidated financial highlights

	2007 HUFm	2006 HUFm	Change HUFm	Change %
Sales	223 624	208 620		
Royalty and similar income	452	753		
Total sales	224 076	209 373	14 703	7.0
Cost of sales	(104 379)	(89 704)		
Gross profit	119 697	119 669	28	0.0
Operating expenses and other income and expenses	(83 414)	(70 142)		
Profit from operations	36 283	49 527	- 13 244	- 26.7
Income from associate company	735	863		
Net financial income	(1 238)	1 723		
Profit before taxation	35 780	52 113	- 16 333	- 31.3
Income tax	(1 809)	(711)		
Profit after taxation	33 971	51 402	- 17 431	- 33.9
Minority interest	(635)	(124)		
Profit for the year	33 336	51 278	- 17 942	- 35.0

Consolidated balance sheet – highlights

	31. Dec. 2007	31. Dec. 2006	Change	Change
	HUFm	HUFm	HUFm	%
Non current assets	175 487	160 677	14 810	9.2
Current assets	172 476	165 107	7 369	4.5
Total assets	347 963	325 784	22 179	6.8
Share capital	18 638	18 638		
<u>Reserves</u>	274 051	254 806		
Capital and reserves	306 183	288 115	18 068	6.3
Current liabilities	31 870	29 371	2 499	8.5
Non-current liabilities	1 712	2 485		
Minority interest	8 198	5 813	2 385	41.0
Total equity and liabilities	347 963	325 784	22 179	6.8

Employees of our subsidiaries have made a huge contribution to the success of Richter. I would like to take this opportunity to thank them for their achievements, which has enabled the Richter Group to become the region's leading pharmaceutical company.





GEDEON RICHTER