



Zurich, 20 May 2008

Press Release

A promising start into 2008

- Very satisfactory first quarter, despite lower sales
- Adjusted EBITDA increases due to lower costs
- Most home markets performed very well
- Major advancements in US out-licensing strategy
- Bradley Pharmaceuticals integration largely finalised
- Agreement with Zydus Cadila to shift API production to Indian joint venture

The financial results reported in this press release are related to Nycomed S.C.A. SICAR and comprise all of the Nycomed Group's operations including the Altana Pharma activities acquired in December 2006. A full interim report is available at www.nycomed.com | investors | financials.

In the first quarter of 2008, Nycomed's adjusted EBITDA increased by 6.2% to €304.0 million compared to €286.3 million in the first quarter of 2007, benefiting from the cost decreasing effects of last year's restructuring. Most of Nycomed's markets and key products have performed well for the first quarter of 2008 and provided a counterweight to the decreasing sales of Pantoprazole in the US.

Adjusting for the effects of at-risk launches of generic Pantoprazole in the US, total net turnover increased by 3.1% for the first quarter of 2008 compared to the first quarter of 2007. Total net turnover decreased by 5.0% to € 830.2 million compared to € 873.5 million in the first quarter of 2007.

"The first quarter marks the beginning of a challenging year that started in good health. Apart from Pantoprazole in the US, our markets and key products developed very satisfactory", said Håkan Björklund, Nycomed's Chief Executive Officer.

"We have also made good progress in implementing our strategy for future growth. Two major out-licensing deals, the finalisation of the Bradley acquisition, the launch of Omnaris, and our new subsidiary in Venezuela help us to add further growth potential", he added.

Key figures

	Q1 2008 (m€)	Q1 2007 (m€)	Change (%)
Net turnover	830.2	873.5	-5.0%
Gross profit margin %	74.0%	75.3%	-2.8%
Operating income	83.0	49.5	+67.7%
EBITDA margin %	36.0%	26.4%	+29.7%
Adjusted EBITDA margin %	36.6%	32.8%	+6.2%

Markets

Most of Nycomed's markets have performed well and according to expectations for the first quarter of 2008. Sales in Russia/CIS grew by 28.9% (46% in local currency), and sales in the Latin America / South Africa / Canada region also developed very well compared to last year. Sales in export markets showed a strong growth as well.

In **Europe**, sales in the first quarter decreased by 3.0% compared to the same period 2007. This was due to cost containment measures in several countries, increasing price competition, and the one-time effect of terminating the imaging business agreement with Bracco. Adjusting for the imaging effect, net turnover developed very satisfactorily, with Germany and France, Nycomed's two largest European markets, growing in the single digit range. The markets in Eastern Europe show double-digit growth, notably Poland, Czech Republic, Slovakia, Croatia and Romania. In Greece, net turnover in the first quarter 2008 increased by over 51%, while Romania more than doubled its sales.

In the **Latin America, Canada and South Africa region** (Argentina, Brazil, Mexico, Canada and South Africa) total net turnover increased 7.2% compared to the first quarter last year. The growth is mainly related to strong performance from both the Rx and OTC businesses in Brazil, as well as favourable impact from exchange rates. Additionally, sales of Pantoprazole in Canada continued to develop well despite the entry of generics. Sales in Argentina are showing very positive trends as well. With the launch of a new sales and marketing presence in Venezuela, Nycomed will be present in the four biggest Latin American pharmaceutical markets.

In **Russia /CIS**, Nycomed's fastest growing region, total net turnover increased by 28.9% for the first quarter compared to the same period in 2007. However, adjusting for the unfavourable impact from exchange rates, sales growth was at approximately 46% for the first quarter. Sales developed satisfactorily in Russia and the other states, particularly in the Ukraine which showed strong growth in the first quarter.

Sales of **Nycomed US**, a specialty business focussing on dermatology and emergency care in the United States declined by 5.7% in the first quarter. Sales for the first quarter of 2008 were positively impacted by sales of Bradley products from closing on 21 February 2008 through the end of March. Adjusting for the unfavourable impact of the US Dollar, sales increased by 6.2%.

For the total **International Sales/Export** business excluding Australia, product sales increased approximately 20% compared to the first quarter of 2007, which was partly offset by lower royalty income.

Contract production grew by 13.5% to € 18.8 million in the first quarter of 2008 due to increased demand related to our toll manufacturing agreements.

Products and pipeline

Sales of Nycomed's top-earner **Pantoprazole** still grew by 1.3% without the effect of Pantoprazole in the US. **Preotact®** is being introduced very successfully, while **Matrifen®** and **Alvesco®** continue to grow substantially.

In January 2008, Nycomed and Wyeth launched an own generic version of **Pantoprazole in the United States**. This is a response to the at-risk-launch of generic Pantoprazole in the US. Nycomed and Wyeth remain convinced of the

validity and enforceability of their patent and will continue to vigorously pursue litigation.

During the first days in April, Nycomed launched its nasal corticosteroid **Omnaris™** in Canada. In the United States, business partner Sepracor has launched the product mid-April.

Licensing and acquisitions

Nycomed signed two significant out-licensing agreements in the first quarter 2008 and finalised the acquisition of Bradley Pharmaceuticals

TachoSil®. In January 2008, Nycomed granted Baxter International Inc. exclusive rights to market and distribute Nycomed's TachoSil® patch in the US. Baxter is allowed to distribute TachoSil® in the US through 2022, while Nycomed will manufacture the product, hold the license and be responsible for the regulatory filing expected later in 2008. The agreement is part of Nycomed's strategy to seek marketing and commercialisation partnerships for the US market instead of operating an own sales force.

Ciclesonide. In January 2008, Nycomed granted Sepracor, Inc. the exclusive development, marketing and commercialisation rights for Ciclesonide in the United States. The agreement complements Sepracor's respiratory portfolio and is a boost to Nycomed's partnering approach for the United States. Sepracor will gain exclusive rights for Ciclesonide in the United States. Sepracor launched Omnaris™ in April this year and expects to launch Alvesco® in the second half of 2008. Sepracor will not only commercialise the approved products Alvesco® and Omnaris™, but also plans to develop line extensions and additional products broadening the Ciclesonide and current Sepracor respiratory franchise.

Bradley. On 21 February 2008, Nycomed successfully completed the acquisition of Bradley Pharmaceuticals, a company focused on niche therapeutic markets in the United States. This makes makes Nycomed US a leader in the US dermatology market, with combined annualised dermatology sales of US \$ 450 million. Already two months after the closing of the acquisition of Bradley Pharmaceuticals, the integration has largely been completed. The new sales organisation is already in place and most key appointments have been made. In the second quarter, integration is expected to be finalised.

Operations

In March, Nycomed and Cadila Healthcare have signed a letter agreement with the intent to amend their existing joint venture agreement to include the chemical production of active pharmaceutical ingredients (APIs) by the joint venture company Zydus Nycomed in India. Based on this agreement, Nycomed plans to transfer the current chemical production from the sites in Linz (Austria) and Singen (Germany) to the new joint venture within the next three to four years.

Outlook for 2008

Based on current market conditions and exchange rate movements, an adjusted EBITDA of € 1,150 million is expected for the year 2008.

Financial background

Adjusted EBITDA and EBITDA are key figures used in order to have a more comprehensive analysis of our operating performance and of our ability to service our debt.

Adjusted EBITDA means net earnings before net financial items, income taxes, depreciation of tangible assets and amortization of intangible assets, adjusted for certain unusual or non-recurring items.

In connection with Nycomed's acquisition of Altana Pharma AG on 29 December 2006, a new holding structure became effective by way of a share exchange between the private equity investors of Nycomed A/S (the former holding company of the Nycomed Group) and the new holding company, Nycomed S.C.A. SICAR, Luxembourg. At that date, Nycomed became the ultimate parent company in the Nycomed Group. Comparison figures are presented as if Nycomed S.C.A. SICAR had always been the ultimate parent company.

About Nycomed

Nycomed is a privately owned pharmaceutical company that provides medicines for hospitals, specialists and general practitioners, as well as over-the-counter medicines in selected markets.

The company is active in a range of therapeutic areas. Its key products are aimed at gastroenterology, pain management, osteoporosis, respiratory diseases and tissue management. New products are sourced both from our own research and from business partners.

Operating throughout Europe and in fast-growing markets such as Latin America, Russia/CIS and the Asia-Pacific region Nycomed has a presence in about 50 markets worldwide.

The combined group employs over 11,500 people. In 2007, it had annual sales of € 3.5 billion and an adjusted EBITDA of € 1.2 billion.

For more information visit www.nycomed.com

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