



Roskilde, 18 August 2004

## Press Release

### **Nycomed Group interim results – first half 2004**

The financial results reported in this release are related to the fully-owned Nycomed subsidiary, Nyco Holdings 2 ApS, which through its subsidiaries and affiliates comprises all of the Nycomed Group's operations. A full report is available under [www.nycomed.com](http://www.nycomed.com) | investors | interim reports.

#### Highlights

##### **Strong growth in CIS**

- In the first six months of 2004, total net turnover increased 1.1% from € 319.0 million to € 322.6 million (€ 3.6 million). Excluding the divested consumer health business and the effect of exchange rate fluctuations, net turnover increased in the first six months of 2004 by € 28.9 million (9.8%) from € 293.7 million to € 322.6 million compared to first half of 2003.
- The CIS performed strongly and grew by 35.6% from a net turnover of € 33.4 million to € 45.3 million. In Scandinavia, net turnover decreased by 14.3% from € 92.4 million to € 79.2 million in the first six months of 2004 compared to 2003, primarily due to the divestment of the consumer healthcare business last year. The continuing business in Scandinavia developed positively with moderate growth as the rest of the markets.
- Adjusted EBITDA for the first six months of 2004 was € 65.3 million, compared to € 64.3 million for the first six months of 2003, an increase of 1.6%. Excluding the divested consumer health business and the effect of exchange rate fluctuations, adjusted EBITDA increased in the first six months of 2004 by € 6.2 million (10.5%) from € 59.1 million to € 65.3 million compared to first half of 2003.
- The increase in income is primarily due to an improved gross profit margin caused by changes in product mix and high-yield production. Due to build up of new offices in the UK, Italy and Poland, expansion in France and IT costs (SAP), administration expenses increased € 5.3 million to € 24.7 million for the first half year 2004 (21.5%).

##### **New key product launches planned for 2004**

- In June 2004, The European Commission issued the EU marketing authorisation for TachoSil™. The first launch will take place in the third quarter of 2004, and it will be followed by launches in the other European markets throughout 2004 and the first half of 2005. The expansion of our factory in Linz, Austria, which will be producing TachoSil™, is developing according to schedule and we expect production to start gradually in 2005.

- It is expected that the European Commission will issue a marketing authorisation for Angiox™ in Q4 this year, covering all 25 member states of the European Union. Nycomed will be responsible for launching Angiox™ in 33 European markets and Russia/CIS.

#### **New in-licensing agreements signed in second quarter of 2004**

- On 7 July Nycomed and Acusphere Inc signed a collaboration, license and supply agreement concerning the rights to develop and market AI-700, in Europe, including the CIS and Turkey. AI-700 is an ultrasound contrast agent for use in the evaluation of coronary artery disease. AI-700 is currently in Phase III clinical development and trials are being conducted in both the US and Europe.
- On 21 April Nycomed and NPS Pharmaceuticals Inc signed a distribution and license agreement covering the rights to develop and market full-length PTH (PREOS® in the US) in Europe, CIS and Turkey.

#### **CEO statement**

- "Our results are in line with expectations, and despite difficult market conditions, remain satisfactory. At the same time we have now proven our in-licensing strategy and are building up a strong product portfolio. I believe that we are in an excellent position to create a strong financial performance for many years to come," said Håkan Björklund, Nycomed CEO.

#### **Financial background**

Adjusted EBITDA means net income 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 the acquisition of Nycomed Holding ApS on 29 November 2002, purchase accounting has been applied and has affected and will continue to affect our results of operations, which are included in the adjusted EBITDA.

We have recorded significant adjustments to intangible assets (patents and other intellectual property rights, goodwill, in-process-research and development and the contract manufacturing business) and tangible assets (property, plant and equipment). The purchase accounting also led to adjusted inventory values at the time of the acquisition to reflect its resale value rather than its cost, this has resulted in a non-recurring, non-cash charge of € 40.2 million of which € 6.6 million was booked in December 2002, € 20.6 million in the first quarter of 2003 and € 13.0 million in the second quarter of 2003, booked to indirect production costs.

## For further information

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## Financial Calendar

Q3 results will be announced on 9 November 2004.

## About Nycomed

Nycomed is a pharmaceutical company differentiating itself by its European focus. The company's capabilities include product sourcing, late-stage clinical trials, registration, pricing and reimbursement negotiation and product life-cycle management. Dedicated sales teams target hospital specialists throughout Europe and general practitioners and pharmacists in selected markets.

With 2,800 people, mostly in marketing & sales, Nycomed covers 19 European markets including Russia/CIS. Products are also exported to other countries including Japan and the United States. Nycomed is a privately owned company with 2003 revenue of € 635.5 million.

Further information is available on: [www.nycomed.com](http://www.nycomed.com)