



PRESS RELEASE

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CONSOLIDATED RESULTS FIRST HALF 2008

NET PROFIT INCREASES BY 29 % AT 17% TURNOVER GROWTH

ARSEUS ON COURSE FOR FURTHER PROFITABLE GROWTH

Waregem (Belgium), 26 August 2008 - Today, Arseus publishes its results for the first half of 2008 in a separate document that may be consulted in the appendix to this press release and on www.arseus.be. This press release contains the key figures with notes.

In the first half of 2008 the consolidated turnover rose by 17% to € 170.5 million. Organic growth was 7%, showing once again that Arseus is a non-cyclical company. Net profit and EBITDA in the first half of 2008 grew even more rapidly at 29% and 19% respectively.

The growth of turnover and profit was mainly due to the introduction of new own products and innovative concepts. In the first half of 2008, Arseus focused strongly on the operational integration of the acquired companies. Additionally, several operations were carried out aimed at improving operational performance. Furthermore, two companies were acquired (Julie-Owandy in France and Tamda in the Czech Republic).

The results presented confirm the managements' conviction that Arseus operates in a stable sector, which will contribute to further profitable growth in the next few years.

KEY FIGURES

INCOME STATEMENT (x 1,000 euro)	S1 2008	S1 2007	Change
Net sales	170,456	145,870	+17%
Gross margin	79,701	68,278	+17%
<i>Gross margin as % of net sales</i>	46.8%	46.8%	
Operating costs	-57,000	-49,104	+16%
EBITDA before corporate and non recurring costs	22,701	19,174	+18%
<i>As % of net sales</i>	13.3%	13.1%	
Corporate costs	-2,406	-1,742	+38%
EBITDA before non-recurring costs	20,295	17,432	+16%
<i>As % of net sales</i>	11.9%	12.0%	
Non recurring costs	-1,584	-1,725	-8%
EBITDA	18,711	15,707	+19%
<i>As % of net sales</i>	11.0%	10.8%	
Depreciation, amortisation and write-offs	-3,556	-3,092	+15%
EBIT	15,155	12,615	+20%
<i>As % of net sales</i>	8.9%	8.6%	
Financial result	-3,226	-3,368	-4%
Profit before tax	11,929	9,247	+29%
Taxes	-2,031	-1,570	+29%
Net profit	9,898	7,677	+29%
Recurring net profit	11,212	9,105	+23%
Net profit per share (in euro)	0.32	0.31	+4%
Recurring net profit per share (in euro)	0.36	0.36	
Average number of shares	30,931,956	25,000,000	+24%

BALANCE SHEET (x 1,000 Euro)	30-06-2008	31-12-2007
Intangible assets	192,220	155,662
Property, plant and equipment	29,926	21,195
Deferred tax assets	15,020	13,617
Other tangible assets	2,312	897
Operational working capital	62,437	56,707
Other working capital	-20,188	-12,556
Equity	185,005	178,225
Provisions	2,799	3,867
Deferred tax liabilities	3,340	2,871
Net debt	90,582	50,559

NOTES TO THE INTERIM FINANCIAL STATEMENT

Income statement

The **consolidated turnover** for the first six months of 2008 was € 170.5 million, an increase of 17% compared to the equivalent period last year. Organic growth during the first six months was 7%. Extensive notes to the evolution of turnover may be found in the press release of 15 July 2008. This press release can be consulted at www.arseus.be.

The **operating costs** in the first half of 2008 increased by 16% (€ 7.9 million) from € 49.1 million to € 57.0 million

REBITDA (EBITDA before non recurring and corporate costs) increased by 18% to € 22.7 million.

The **non recurring items** amounted to € 1.6 million, a decrease of 8% in comparison with the first half of 2007. The non recurring items consist of € 1.0 million in redundancy costs at Arseus Dental and Fagron and € 0.6 million in integration costs at Arseus Dental.

Corporate costs were € 2.4 million or approx. 1.4% of turnover in the first half of 2008, an increase of 38% compared to the first half of 2007. This increase is the result of filling vacancies in the areas of legal, investor relations, treasury and human resources in the corporate department and to further investments in IT.

EBITDA in the first half of 2008 rose by 19% (€ 3.0 million) to € 18.7 million. The operating margin (EBITDA as a percentage of net sales) rose from 10.8% in the first half of 2007 to 11.0% in the first half of 2008.

Depreciations, amortizations and write-offs rose by 15% (€ 0.5 million) to € 3.6 million, which is less than the proportional increase of turnover.

EBIT rose by 20% (€ 2.5 million) to € 15.2 million. EBIT as a percentage of net sales increased by 0.3% to 8.9%.

The **financial result** was € 3.2 million. Despite a substantial increase of the interest rates, the financial result decreased by 4% compared to the first half of 2007. In the first half of 2008, net debt increased to € 90.6 million from € 50.6 million on 31 December 2007. This increase was mainly caused by acquisitions, the takeover of debts in acquisitions and the share buyback.

Taxes amounted to € 2.0 million in the first half of 2008, an increase of 29%.

Net profit increased by 29% (€ 2.2 million) to € 9.9 million. Net profit per share amounts to € 0.32, a rise of 4%. This limited increase was due to the fact that the profits of the companies acquired with the proceeds of the new share issue have only been consolidated in the half-yearly results for a limited period.

Cash flow and balance sheet data

The **intangible fixed assets** increased by € 36.6 million. This increase was mainly caused by the recognition of goodwill due to acquisitions and by Corilus' R&D activities.

Property, plant and equipment increased by € 8.7 million, which was mainly caused by the acquisition of assets in acquisitions and investments.

The **operational working capital**¹ increased compared to the first half of 2007 by 10% to € 62.4 million, which was below the growth of turnover of 17%. This indicates solid operational working capital management.

In the first half of 2008, **equity** increased by € 6.8 million to € 185.0 million, mainly as a result of adding the net profit for the first half of 2008.

The **operational capex** (acquired and produced non current intangible assets and property, plant and equipment, less divested property, plant and equipment) amounted to € 9.1 million. This shows that investments are being made in the optimization of the organization. Fagrons' production unit for liquid pharmaceutical raw materials was expanded and renovated in the first half of 2008. Investments were also made in new showrooms of Arseus Dental in France (Strasbourg and Metz) and Germany (Düsseldorf and Frankfurt). Furthermore, investments were made in the development of Greenock software for Corilus' pharmacies. In the long term, the management forecasts an operating capex of 2.5 to 3% of annual turnover.

KEY FIGURES PER DIVISION

FAGRON

(x 1,000 Euro)	S1 2008	S1 2007	Change
Sales	66,605	50,854	+31.0%
REBITDA ³	11,709	9,212	+27.1%
REBITDA margin	17.6%	18.1%	-0.5%

In the first half of 2008, Fagron grew by 31.0%. Next to the successful integration of Polichimica and the acquisition of Tamda, organic growth of 10.6% was generated. The solid growth of turnover was followed by solid growth of REBITDA (+27.1%). This confirms Fagrons' ability to integrate acquired companies successfully. Partly as a result of this, the acquired companies contribute to profit immediately.

Fagron continuously invests in innovation and product development and therefore at all times has a well-filled pipeline of new products that will be launched by means of increased sales and marketing efforts, also in the new countries.

¹The operational working capital is defined as the sum of inventories and trade receivables less the trade payables.

³ EBITDA before corporate and non recurring costs.

Once again Fagron strengthened its market position in the countries in which it is active. The Fagron organizations in the Netherlands, Spain and Germany achieved double-digit turnover growth. Turnover in greenfield operations in France and the United Kingdom has shown an upward trend. Fagron Industry, the business unit started up in 2005 and focusing on the sale of pharmaceutical raw materials to the pharmaceutical, veterinary, nutraceutical and cosmetics industry, has undergone spectacular growth and is one of the fastest-growing segments of the Fagron Group.

Fagron has expanded its European presence further with the strategic takeover of the Czech Tamda and the Danish Unikem. Thanks to these takeovers, Fagron has gained a presence in the growth markets of Central and Eastern Europe and Scandinavia. The introduction of the Fagron model and Fagron's broad product range will further strengthen Tamda's market position in the Czech Republic and Unikem's market position in Scandinavia. These takeovers fit in perfectly with Arseus' buy-and-build strategy, and contribute to achieving Fagron's strategy to extend its market leadership in Europe in the market for pharmaceutical compounding.

TAMDA

In April, Arseus acquired 70% of the shares in TAMDA SA based in the Czech town of Olomouc. Its results have been included in Arseus' scope of consolidation as from 1 April 2008.

In 2007, Tamda generated a turnover of approx. € 6 million, and has shown attractive growth in the past few years. The company realizes a high single-digit EBITDA margin. Through the implementation of the Fagron model, this margin will rise to the Fagron Group average in the next few years.

UNIKEM

In July (acquisition after balance sheet date), Arseus reached agreement with Nomeco about the takeover of Unikem's activities by means of an asset deal. Unikem is a division of Nomeco and has focused on sales of pharmaceutical raw materials in Denmark and the rest of Scandinavia for over 200 years. These raw materials are supplied to (hospital) pharmacies and to the pharmaceutical industry. In 2007, Unikem realized a double-digit EBITDA margin on a turnover of approx. € 3 million. The transaction was finalized at the end of July. The results will be included in Arseus' scope of consolidation as from 1 August 2008.

ARSEUS DENTAL

(x 1,000 Euro)	S1 2008	S1 2007	Change
Sales	68,709	57,824	+18.8%
REBITDA	6,665	5,652	+17.9%
REBITDA margin	9.7%	9.8%	-0.1%

In the first half of 2008, Arseus Dental focused on optimizing the product mix and started to optimize the purchasing process. The sale of consumables in Belgium and the Netherlands has been further scaled down. A lot of effort has been spent on integrating the back offices in Belgium and France. The non recurring costs involved in this integration are € 0.6 million.

Arseus Dental anticipates a strong second half of 2008. This forecast is based on the present well-filled order portfolio and the professional fairs which will take place in Belgium, France and Germany in the second half of 2008.

JULIE-OWANDY

In the first half of 2008, the French company Julie-Owandy was taken over. Julie-Owandy is active in dental software and dental imaging products. The results have been included in Arseus' scope of consolidation as from 1 April 2008. In 2007, Julie-Owandy generated a turnover of approx. € 20 million with an EBITDA margin of approx. 12%.

With this acquisition, Arseus Dental has strengthened its position in dental software, and will become market leader in France in addition to Belgium. With Julie-Owandy, Arseus strengthens its market leadership in dental imagery in France, Belgium and the Netherlands, and obtains access to Spain, Italy and a number of other strategic markets. Obviously, this creates group synergy opportunities. The acquisition price was € 18.3 million, and was paid fully in cash. Arseus has also taken over debts totalling approx. € 2 million.

ARSEUS MEDICAL

(x 1,000 Euro)	S1 2008	S1 2007	Change
Sales	22,374	24,800	-9.8%
REBITDA ⁴	1,176	1,309	-10.2%
REBITDA margin	5.3%	5.3%	-0.0%

Turnover at Arseus Medical fell by 9.8% in the first half of 2008. Turnover in the Netherlands rose by 5.0%, whereas turnover in Belgium (excluding the ophthalmology division) fell by 16.0%. The decline in turnover in Belgium was due to amended Belgium legislation relating to wheelchairs (hire instead of purchase). In addition, last year a large number of orders fell the first half of the year, while this year they will fall in the second half. The Dutch operations showed strong organic growth, in particular in the high-quality medical technology segment. At present a great deal of attention is being focused on strengthening this segment with considerable added value in Belgium.

CORILUS

(x 1,000 Euro)	S1 2008	S1 2007	Change
Sales	12,769	12,392	+3.0%
REBITDA ⁴	3,151	3,001	+5.0%
REBITDA margin	24.7%	24.2%	+0.5%

Corilus generated organic growth of turnover of 3.0% in the first half of 2008. The synergies with Arseus Dental are now clearly beginning to bear fruit. The new business model has been successfully implemented. This new business model focuses on the total IT infrastructure of medical professionals. The price erosion of PC hardware was compensated by an increase in the number of maintenance contracts and contractual services.

During the second quarter, once again Greenock Central was installed in a number of (large) pharmacies. Greenock is a software package developed internally by Corilus for managing independent pharmacies and pharmacy groups. The official launch of Greenock is planned for the fourth quarter, during the biennial Pharma Fair in Brussels. In the first half of 2008, a new interface was also completed for Baltes, the software package for dentists. The release date of this new interface is scheduled for October during the Dentex trade fair in Brussels.

SHARE BUYBACK

The Extraordinary Meeting of Shareholders of 7 September 2007 has authorized the Board of Directors to buy back shares. This authorization was renewed at the Extraordinary Meeting of Shareholders on 9 June 2008.

In the first half of 2008, Arseus bought back 529,358 shares at an average purchase price of € 8.95 per share. In the period between 1 July and 25 August, Arseus acquired 135,125 shares at an average purchase price of € 8.04 per share.

AUDITOR'S REPORT

Please refer to www.arseus.be for the complete set of the Interim Financial Statements that have been prepared in accordance with IAS 34 and the related limited review opinion issued by the auditor. This limited review opinion does not contain any special remarks.

OUTLOOK⁴

Organic growth was 7% in the first six months of 2008. This is entirely in line with the earlier targets of 7% to 8% in organic growth set for the year 2008 as a whole. Arseus' aim is to achieve a turnover of € 500 million in 2010 through a combination of organic and external growth.

CONFERENCE CALL

Today, Ger van Jeveren (CEO) and Jan Peeters (CFO) will comment on the results for the first half of 2008 in a conference call. The conference call will start at 9.30 a.m. CET. You can dial in on + 31 10 7137 295 (the Netherlands) or +32 2 4040 334 from 15 minutes before the start.

The presentation is available on the Investor Relations (submenu presentations) part of Arseus' website (www.arseus.be).

FINANCIAL CALENDAR

On Tuesday 14 October at 7:30 am Arseus will publish the trading update for the third quarter of 2008.

On 5 October, Arseus will celebrate its first anniversary as a listed company. In this context, an Investor Day will be organized on Friday 17 October. The management will attend this Investor Day and comment on Arseus' strategy and outlook. Further information and an invitation will be forthcoming shortly.

This is a translation of the Dutch press release; the Dutch press release prevails.

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