PRESS RELEASE

Regulated information
Consolidated results for the 2008 financial year

EXCELLENT YEAR FOR ARSEUS DESPITE ECONOMIC DECLINE

TURNOVER +16.5% AND REBITDA +12.0%

TURNOVER GROWTH BETWEEN 5% AND 10% EXPECTED FOR 2009

Waregem (Belgium), 3 March 2009 - Today, Arseus publishes its results for the 2008 financial year. In 2008, the consolidated turnover increased by 16.5% to € 354.5 million. Organic growth was 6.9%. REBITDA increased by 12.0%, while EBIT increased by 13.6% to € 30.0 million. Net profit decreased by 8.4% in 2008 due to the inclusion in the income statement of the revaluation of the financial derivatives, a non-cash item, of € 4 million. The recurring net profit increased by 14.6% to € 20.9 million. It is also proposed to increase the gross dividend by € 0.24 to € 0.30 per share.

These strong results show that the global economic recession has had little impact on Arseus in 2008. Only the Arseus Dental division sold less equipment than expected during the last months of 2008, partly due to not being able to supply a number of large orders and partly due to customers postponing purchase decisions.

Ger van Jeveren, CEO of Arseus: *'Our unique combination of professional healthcare operations, our strong market positions and our healthy financial situation has put us in an excellent position to implement our strategy, even in the current economic climate. For 2009, we expect turnover growth of between 5% and 10% and REBITDA growth to exceed turnover growth, also due to a company-wide cost savings programme which has been initiated in the meantime. We are confident about our future prospects.'*

INCOME STATEMENT (x 1,000 Euro)	H2 2008	H2 2007	2008	2007	Evolution
Net sales	**184,050**	**158,498**	**354,506**	**304,368**	**+16.5%**
Gross margin	85,940	74,881	165,641	143,159	+15.7%
Gross margin as a % of net sales	*46.7%*	*47.2%*	*46.7%*	*47.0%*	
Operating costs	-61,052	-52,651	-118,052	-101,755	+16.0%
EBITDA before corp. and non-recurring costs	**24,888**	**22,230**	**47,589**	**41,404**	**+14.9%**
As a % of net sales	*13.5%*	*14.0%*	*13.4%*	*13.6%*	
Corporate costs	-2,557	-1,599	-4,963	-3,341	+48.5%
EBITDA before non-recurring costs	22,331	20,631	42,626	38,062	+12.0%
As a % of net sales	*12.1%*	*13.0%*	*12.0%*	*12.5%*	
Non-recurring costs	-1,739	-671	-3,323	-2,396	+38.7%
EBITDA	**20,592**	**19,960**	**39,303**	**35,665**	**+10.2%**
As a % of net sales	*11.2%*	*12.6%*	*11.1%*	*11.7%*	
Depreciation, amortisation and write-offs	-5,714	-6,133	-9,269	-9,225	+0.5%
EBIT	**14,878**	**13,827**	**30,033**	**26,440**	**+13.6%**
As a % of net sales	*8.1%*	*8.7%*	*8.5%*	*8.7%*	
Financial result excluding revaluation of financial derivatives	-4,860	-3,633	-8,085	-7,001	+15.5%
Revaluation financial derivatives	-3,961	-	-3,961	-	
Profit before tax	6,058	10,194	17,987	19,439	-7.5%
Taxes	-1,055	-1,609	-3,087	-3,179	-2.9%
Net profit	**5,003**	**8,585**	**14,900**	**16,260**	**-8.4%**
Recurring net profit[1]	9,723	9,150	20,935	18,264	+14.6%
Net profit per share (in €)	0.16	0.31	0.48	0.61	-21.3%
Recurring net profit per share (in €)	0.32	0.33	0.68	0.69	-1.4%
Average number of shares	30,552,487	28,097,560	30,680,209	26,548,780	

BALANCE SHEET (x 1,000 Euro)	31-12-2008	31-12-2007
Intangible assets	201,126	155,662
Property, plant and equipment	34,473	21,195
Deferred tax assets	16,598	13,617
Other tangible assets	2,018	897
Operational working capital	64,159	56,707
Other working capital	-15,696	-12,555
Equity	185,530	178,225
Provisions	3,855	3,867
Financial instruments	3,961	-
Deferred tax liabilities	4,941	2,871
Net financial debt	104,391	50,560

[1] Recurring net profit is defined as the net profit before non-recurring components and the revaluation of financial derivatives, corrected for tax based on the group's effective tax rate.

NOTES TO THE 2008 CONSOLIDATED ANNUAL ACCOUNTS

Income statement

Consolidated **turnover** for 2008 amounted to € 354.5 million (2007: € 304.4 million), an increase of 16.5% compared to 2007. Organic growth came to 6.9%. More extensive notes on the development of turnover can be found in the press release of 13 January 2009, which can be consulted on www.arseus.com.

The **gross margin** increased by 15.7%, from € 143.2 million to € 165.6 million.

Operating costs increased by 16.0% (€ 16.3 million) from € 101.8 million in 2007 to € 118.1 million in 2008.

Corporate costs amounted to € 5.0 million or approximately 1.4% of turnover in 2008, an increase of 48.5% compared to 2007. This increase was due to the expansion in 2008 of Arseus' corporate division and further investments in IT.

REBITDA increased by 12.0% (€ 4.6 million) to € 42.6 million.

The **non-recurring result** amounted to –€ 3.3 million. This mainly comprises redundancy costs and losses arising from the selective phasing out of consumables at Arseus Dental.

EBITDA increased in 2008 by 10.2% (€ 3.6 million) to € 39.3 million. The operating margin (EBITDA as a percentage of turnover) decreased from 11.7% in 2007 to 11.1% in 2008.

EBIT amounted to € 30.0 million, an increase of 13.6% compared to 2007.

The **financial result** amounted to € 8.1 million, an increase of € 1.1 million compared to 2007. This increase was mostly related to a substantial rise of interest rates in the first three quarters of 2008 and an increase in net financial debt.

The **revaluation of financial derivatives** amounted to € 4.0 million, and is related to the decreased fair market value of the interest rate hedges that do not qualify for hedge accounting in accordance with IAS 39. Since this is a non-cash item, it has been removed from the financial result and is shown separately in the income statement.

Net profit amounted to € 14.9 million (€ 0.48 per share), a decrease of 8.4%. This decrease was caused by the revaluation of the financial derivatives in accordance with IAS 39. The **recurring net profit** amounted to € 20.9 million, an increase of 14.6% compared to 2007. The recurring net profit amounted to € 0.68 per share.

Balance sheet data

The key changes in the balance sheet may be summarized as follows.

Intangible assets increased by € 45.5 million, mainly due to the inclusion of goodwill and other intangible assets related to acquisitions and due to Corilus' R&D activities.

Property, plant and equipment increased by € 13.3 million, which was due to the acquisition of assets in takeovers as well as investments in IT and in Fagron's production facilities in the Czech Republic and Belgium.

The **operational working capital**[2] increased by 13% to € 64.2 million compared to 2007. This increase is lower than the turnover growth of 16.5%, indicating solid working capital management. For example, inventories increased by 11%, which is clearly below the turnover growth of 16.5%.

Net financial debt[3] increased to € 104.4 million in 2008, from € 50.6 million on 31 December 2007. This increase was mainly due to acquisitions (Julie-Owandy, Tamda and Unikem), the acquisition of debts in takeovers and the share buyback. At year-end 2008, the net financial debt / annualized REBITDA ratio amounted to 2.25, which is fully in compliance with the covenant of the credit facility which allows a ratio up to 3.5.

Operational capex[4] amounted to € 18.4 million or 5.2% of turnover. This confirms that in spite of the global economic decline, Arseus has invested in the optimization of the organization in 2008. Capex comprises investments in:

- IT (implementation of Navision);
- the development of Corilus' Greenock software for pharmacies;
- new showrooms for Arseus Dental in France and Germany;
- Fagron's production locations in the Czech Republic and Belgium;
- wheelchairs (in connection with the amended Belgium wheelchair legislation).

While the investments in 2007 and 2008 were relatively high compared to the long-term average, in 2009 Arseus intends to return to a level of 2.5% to 3% of turnover, and to maintain this level in the next few years.

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[2] The operational working capital is defined as the sum of inventories and trade accounts receivable less trade accounts payable.
[3] Net financial debt is the sum of long-term and short-term financial liabilities less cash (excluding financial instruments) and cash equivalents.
[4] Operational capex is defined as the acquired and produced intangible assets and property, plant and equipment (excluding acquisitions) less assets sold.

KEY FIGURES BY DIVISION

FAGRON

(x 1 million Euro)	H2 2008	H2 2007	Evolution	2008	2007	Evolution
Turnover	70.3	59.1	+19.0%	136.9	110.0	+24.5%
REBITDA[5]	12.7	11.1	+14.4%	24.4	20.3	+20.2%
REBITDA margin	18.1%	18.8%		17.8%	18.5%	

2008 was a good year for Fagron. Turnover increased by 24.5% to € 136.9 million, while REBITDA increased by 20.2% to € 24.4 million. Fagron's organic growth came to 9.7%. This result is a confirmation of the success of Fagron's core values: innovation, quality and focus on solutions. Ongoing focus on the development and introduction of innovative concepts and products has strengthened Fagron's market position in the countries in which it operates. The greenfield activities in France and the United Kingdom developed positively, but were not yet profitable in 2008.

Good progress has been made on the integration of Tamda and Fagron A/S (the former Unikem). The introduction of the Fagron model and Fagron's extensive product range will further reinforce Tamda's market position in the Czech Republic and Fagron A/S' market position in Denmark. In 2008, significant investments were made in Tamda's production facilities. In 2009, Tamda's GMP (Good Manufacturing Practice) production facilities will increasingly be used to condition pharmaceutical raw materials for the Fagron Group.

ARSEUS DENTAL

(x 1 million Euro)	H2 2008	H2 2007	Evolution	2008	2007	Evolution
Turnover	75.5	60.5	+24.8%	144.2	118.3	+21.9%
REBITDA[5]	6.2	6.1	+1.6%	12.9	11.7	+10.3%
REBITDA margin	8.2%	10.1%		8.9%	9.9%	

Arseus Dental's turnover showed healthy growth in 2008. For the full year, growth of turnover amounted to 21.9% and organic growth to 10.3%. In the historically strong fourth quarter, Arseus Dental sold less equipment than expected, partly due to the fact that it was unable to supply a number of large orders (for example in Owandy) and partly due to customers postponing purchase decisions (for example in Germany). The lower than expected turnover, additional write-downs on consumables and the associated adjustments to the organization caused the REBITDA margin to decrease by 1.0% to 8.9% in 2008.

Demand for precision components for the dental and medical orthopaedic industry is declining. Due to this decrease in demand, the management has decided to postpone the scheduled investments at Hader in Switzerland.

In December 2008, Arseus Dental concluded a new distribution agreement with the Italian company Cefla Dentale, making Arseus Dental the exclusive distributor of Stern Weber treatment units in the Benelux countries as from January 1rst.

[5] EBITDA before corporate and non-recurring costs.

At the end of March, the biennial International Dental Show (IDS, the biggest dental show in the world) will be organized in Cologne. At the IDS, Owandy will introduce the I-Max Touch (panoramic imaging equipment), as well as new state-of-the-art imaging equipment capable of taking pictures both in 2-D and in 3-D without having to replace or adjust the sensor. Julie, which is market leader in software for dentists in France, will also introduce a new release of its software that is highly successful in France. This release will enable Julie's software to be sold also outside France.

ARSEUS MEDICAL

(x 1 million Euro)	H2 2008	H2 2007	Evolution	2008	2007	Evolution
Turnover	24.9	24.7	+0.8%	47.3	49.5	-4.4%
REBITDA[5]	1.9	1.4	+35.7%	3.1	2.7	+14.8%
REBITDA margin	7.6%	5.7%		6.6%	5.5%	

In 2008, the focus was on consolidating the division's strong position in the Benelux countries and on improving its product mix. REBITDA increased by 14.8%, while the margin improved from 5.5% in 2007 to 6.6% in 2008, showing clearly that the turnaround implemented at Arseus Medical is beginning to bear fruit.

CORILUS

(x 1 million Euro)	H2 2008	H2 2007	Evolution	2008	2007	Evolution
Turnover	13.4	14.3	-6.3%	26.2	26.7	-1.9%
REBITDA[5]	4.1	3.7	+10.8%	7.2	6.7	+7.5%
REBITDA margin	30.6%	25.9%		27.5%	25.1%	

Corilus experienced a 1.9% decrease of turnover in 2008, but did succeed in improving profitability. The decrease of turnover was due to declining hardware prices and the phased implementation of the new Greenock and Baltes software packages.

The introduction of the new Greenock software package is progressing well. As at 31 December 2008, Corilus had concluded agreements with 150 pharmacies for the installation and use of Greenock. Management expects this positive development to continue in 2009. The impact of the installation of Greenock on Corilus' turnover is expected to become visible in the third quarter of 2009.

SHARE BUYBACK

The Extraordinary Meeting of Shareholders of 7 September 2007 authorized the Board of Directors to buy back the company's own shares. This authorization was renewed during the Extraordinary Meeting of Shareholders of 9 June 2008.

On 31 December 2008, Arseus owned 1,000,000 treasury shares, or 3.2% of the total number of shares outstanding. This completes the share buyback programme.

[5] EBITDA before corporate and non-recurring costs.

DIVIDEND

A gross dividend of € 0.30 per share will be proposed to the General Meeting of Shareholders on 11 May, which is a fivefold increase compared to the 2007 dividend.

STATEMENT BY THE STATUTORY AUDITOR

The statutory auditor, PricewaterhouseCoopers bcvba represented by Lieven Adams and Peter Opsomer, has confirmed that the audit of the consolidated balance sheet and income statement, which is substantially complete, has to date not revealed any material misstatement. The auditor also confirmed that the accounting data reported in the press release is consistent, in all material respects, with the consolidated balance sheet and income statement from which it has been derived.

OUTLOOK[6]

Taking the general economic decline into account and based on Arseus' existing portfolio, the management expects a turnover growth of between 5% and 10% in 2009 and this thanks to the many new projects, distributions, synergies and the strengthened management structure.

As a result of the expected positive contributions from the initiated greenfield activities, integrations, product optimization and a cost savings programme which was initiated without delay, the recurring EBITDA is expected to grow faster than the turnover in 2009.

CONFERENCE CALL

Ger van Jeveren (CEO) and Jan Peeters (CFO) will comment on the results for 2008 in a conference call to be held today. The conference call will start at 9:30 am CET. From 15 minutes before the start you may join the conference call by calling +31 (0)10 713 72 95 (Netherlands) or +32 (0)2 404 03 34 (Belgium).

FINANCIAL CALENDAR

9 April 7:30 am	Trading update first quarter 2009
11 May 3:00 pm	General Meeting of Shareholders (Waregem)
13 May	Ex dividend listing
15 May	Record date (in accordance with stock exchange regulations)
18 May	Dividend payment date
14 July 7:30 am	Trading update second quarter 2009
21 August 7:30 am	Half-year figures 2009
13 October 7:30 am	Trading update third quarter 2009

[6] This press release contains a number of forward looking statements which are based on the present internal estimates and expectations as well as on market forecasts. These forward looking statements contain inherent risks and are valid only on the date on which they are issued. The actual results may differ significantly from those included in the forward looking statements.

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

More information:

Constantijn van Rietschoten, Investor Relations Manager
+31 88 33 11 222 (office)
+31 6 536 91 585 (mobile)
constantijn.van.rietschoten@arseus.com

Appendices:

Consolidated income statement

(x 1,000 Euro)	2008	2007
Operating income	**358,668**	**308,249**
Turnover	354,506	304,368
Other operating income	4,162	3,881
Operating expenses	**328,635**	**281,809**
Trade goods	188,865	161,209
Services and other goods	55,128	45,199
Employee benefit expenses	74,950	62,633
Depreciations and amortisations	9,269	9,225
Other operating expenses	422	3,543
Operating result	**30,033**	**26,440**
Financial income	506	1,603
Financial expense	-12,552	-8,604
Profit before income tax	**17,987**	**19,439**
Income taxes	3,087	3,179
Profit for the period	**14,900**	**16,260**
Minority interests	-31	-
Share of the group	**14,869**	**16,260**
Profit for the period per share (in euros)	0.48	0.61
Diluted profit per share (in euros)	0.48	0.61
Recurrent net profit per share (in euros)	0.68	0.69
Diluted recurrent net profit per share (in euros)	0.68	0.69

Consolidated balance sheet

(x 1,000 Euro)	December 2008	December 2007
Non current assets	**254,215**	**191,371**
Intangible assets	201,126	155,662
Property, plant and equipment	34,473	21,195
Financial assets	1,061	255
Deferred tax assets	16,598	13,617
Other non current assets	957	642
Current assets	**163,518**	**156,096**
Inventories	62,808	56,521
Trade receivables	65,975	57,129
Other current assets	16,232	14,657
Cash and cash equivalents	18,503	27,789
Total assets	**417,733**	**347,467**
Equity	**185,530**	**178,225**
Shareholders' equity (parent)	191,666	178,225
Treasury shares	-8,120	-
Minority interests	1,984	-
Non current liabilities	**131,248**	**12,170**
Provisions	811	1,491
Pension obligations	3,044	2,376
Deferred tax liabilities	4,941	2,871
Borrowings	120,876	5,432
Financial instruments	1,576	-
Current liabilities	**100,955**	**157,072**
Borrowings	2,018	72,917
Financial instruments	2,385	-
Trade payables	64,624	56,943
Taxes, remuneration and social security	20,747	18,053
Other current payables	11,182	9,159
Total equity and liabilities	**417,733**	**347,467**

Consolidated statement of changes in equity

(x 1,000 Euro)	Share capital & share premium	Other reserves	Treasury shares	Retained earnings	Total	Minority interest	Total equity
Balance at 31 December 2006	**150,746**	**-90,918**		**40,984**	**100,812**		**100,812**
Currency translation adjustments		-133			-133		-133
Profit for the period				16,260	16,260		16,260
Total recognised income for the period	**150,746**	**-91,051**		**57,244**	**116,939**		**116,939**
Capital increases	317,241				317,241		317,241
Share-based payments		89			89		89
Change in ultimate holding company							
Arseus BV share capital	-150,746	-105,360			-256,106		-256,106
Arseus NV formation	62				62		62
Balance at 31 December 2007	**317,302**	**-196,321**		**57,244**	**178,225**		**178,225**
Currency translation adjustments		231			231	-151	80
Profit for the period				14,869	14,869	31	14,900
Total recognised income for the period	**317,302**	**-196,090**		**72,113**	**193,325**	**-119**	**193,206**
Purchase of treasury shares			-8,120		-8,120		-8,120
Dividends relating to 2007 result				-1,833	-1,833		-1,833
Share-based payments		173			173		173
Purchase minority interest participation						2,104	2,104
Balance at 31 December 2008	**317,302**	**-195,917**	**-8,120**	**70,281**	**183,546**	**1,984**	**185,530**

Consolidated cash flow statement

(x 1,000 Euro)	2008	2007
Operating activities		
Profit before income taxes	17,987	19,439
Taxes paid	-4,706	-6,488
Total adjustments for non-cash items and interest paid	20,670	12,462
Total changes in working capital	-6,210	1,687
Total cash flow from operating activities	**27,741**	**27,100**
Investment activities		
Operational capital expenditures	-18,418	-16,166
Other investments	-1,701	
Disposals	963	1,817
Capital expenditures	**-19,157**	**-14,349**
Investments in existing shareholdings (after-payments) and in new holdings	-39,381	-7,373
Total cash flow from investing activities	**-58,538**	**-21,722**
Financing activities		
Purchase of treasury shares	-8,120	
Dividends paid	-1,833	
Issuance of shares		58,248
New borrowings	46,579	70,000
Reimbursement of borrowings	-7,065	-101,348
Interest received (paid)	-8,085	-7,001
Total cash flow from financing activities	**21,477**	**19,899**
Total net cash flow of the period	**-9,320**	**25,277**
Cash and cash equivalents – start of the year	27,789	2,532
Gains or losses on exchange on liquid assets	34	-20
Cash and cash equivalents – end of the year	18,503	27,789
Change in cash and cash equivalents	**-9,320**	**25,277**