



Regulated information  
Trading update Q4 and FY 2009



## EXCELLENT YEAR FOR ARSEUS: TURNOVER INCREASES 10.3% TO €391.3 MILLION

### STRUCTURAL EVOLUTION IN ALL DIVISIONS

Waregem (Belgium), 15 January 2010 - In 2009 the consolidated turnover of Arseus increased 10.3% to €391.3 million. The organic growth in 2009 was 4.1%. In the fourth quarter the consolidated turnover increased 9.9% to €113.9 million. The organic growth was 4.5%.

The evolution of turnover per division is as follows<sup>1</sup>:

(x €1 million)	Q4 2009	Q4 2008	evolution	organic growth
Fagron	43.1	39.1	10.2%	6.5%
Arseus Dental	46.9	43.0	9.1%	3.8%
Arseus Medical	15.7	14.2	10.6%	-1.1%
Corilus	8.2	7.3	12.3%	9.6%
<b>TOTAL</b>	<b>113.9</b>	<b>103.6</b>	<b>9.9%</b>	<b>4.5%</b>

(x €1 million)	2009	2008	evolution	organic growth
Fagron	150.7	136.9	10.1%	5.6%
Arseus Dental	161.2	144.2	11.8%	3.1%
Arseus Medical	50.6	47.3	7.0%	2.0%
Corilus	28.8	26.2	9.9%	6.3%
<b>TOTAL</b>	<b>391.3</b>	<b>354.6</b>	<b>10.3%</b>	<b>4.1%</b>

Ger van Jeveren, CEO of Arseus: "2009 was in several respects an excellent year for Arseus. Despite the unfavourable economic circumstances and the cost-saving programme launched at the start of 2009, all the divisions contributed to the turnover growth of 10.3%, of which no less than 4.1% was organic growth. The emphasis in the first half of 2009 was on strengthening our management structure, while we used our healthy financial situation in the second half of 2009 to make some strategic acquisitions."

<sup>1</sup> Unaudited management figures.

*We are confident about the future and confirm our previous outlook that recurring EBITDA will grow faster than turnover in 2009. Based on our current view and Arseus' existing portfolio, we expect to generate turnover growth of between 5% and 10% in 2010 and a recurring EBITDA that is again expected to grow faster than turnover."*

### **FAGRON**

Fagron grew 10.2% in the fourth quarter, 6.5% of which was organic growth. On an annual basis the growth in turnover was 10.1%, with organic growth of 5.6%. In 2009 Fagron further consolidated its European market leadership. This was achieved partly through the introduction of innovative products and concepts in Europe and the healthy performance of the greenfields in the United Kingdom and France.

Early December Fagron concluded an agreement with the Lipis company to launch the Fagron product range in the Slovenian market. Fagron is the only multinational one-stop-shop for products, services and concepts for pharmaceutical compounding in Europe and it now has operations in 17 European countries.

In December thirteen hypermodern GMP clean rooms for the conditioning of pharmaceutical raw materials were completed at Fagron Services in Uitgeest, the Netherlands. These clean rooms have now been examined and approved by the relevant inspectorates and other government bodies. This addition means the capacity of Fagron Services had increased by 25% to 1.5 million units per annum and that its production facilities are absolutely state of the art.

In the fourth quarter, Fagron acquired a compounding and dispensing pharmacy in the Netherlands with an estimated annual turnover of approximately €5 million and a double-digit EBITDA margin. This acquisition strengthens Fagron's market leadership in pharmaceutical compounding in the Netherlands.

### **ARSEUS DENTAL**

Arseus Dental's growth strategy is to focus on delivering high-quality, innovative total concepts to dentists and dental laboratories and to strengthen the current leading market positions through acquisitions and organic growth. On 1 January 2010 Arseus Dental switched from being a country-led organisation to a business-led organisation. The aim of this change is to improve service to customers, make optimum use of the available knowledge and improve efficiency.

The annual trade fair of the *Association Dentaire Française* (ADF) was held in Paris in November. For the first time, all business units appeared under the flag of Arseus Dental in accordance with the slogan 'one team, one company'. Julie-Owandy's intra-oral sensor Visteo was awarded the Professional Innovation Prize 2009 at the ADF fair. The Visteo is a revolutionary sensor. It is the first sensor where signal transmission takes place electro-magnetically by induction. This enables the dentist to see the radiological image directly on the computer screen and also means a significant reduction in the emission of X-rays.

Arseus Dental grew 9.1% in the fourth quarter, 3.8% of which was organic growth. On an annual basis the growth in turnover was 11.8% and the organic growth was 3.1%. This is a more than satisfactory result in the light of current market conditions.

The reduced demand for prostheses means there has also been a reduction in the demand for precision components for the dental orthopaedic industry. Consequently, the turnover generated by Hader in Switzerland was approximately 25% lower in 2009.

### **ARSEUS MEDICAL**

Arseus Medical grew 10.6% in the fourth quarter. The turnover growth on an annual basis was 7.0% with organic growth of 2.0%; this marks a positive change for this division. The organic growth of -1.1% in the fourth quarter was primarily due to ophthalmologists putting off their usual end-of-year purchases and to activities with low gross margins being terminated. On the other hand, the sale and rental of bandagistry products in Belgium and the sale of high-value-added products to medical specialists in Belgium and the Netherlands have increased considerably.

Arseus Medical's go-to-market strategy has been simplified and rationalised. This resulted in a clear-cut market segmentation and an equally clear-cut grouping of activities and products. The products and services have now been grouped in five domains, ensuring a clear, unambiguous overview of what Arseus Medical has to offer. Each of these domains has adopted its own specific approach to the market, responding to the everyday problems of the various target customer groups (retirement homes and care homes, home-care nurses, hospitals, GPs, consultants and ophthalmologists). The new go-to-market strategy was introduced in the fourth quarter.

Good progress was made in 2009 with the implementation of Arseus Medical's growth strategy, whereby the focus lies on providing total solutions with substantial added-value to the healthcare sector. As part of the new strategy, the products being offered were subjected to a critical review. Activities with low gross margins, such as the sale of hospital beds, were wound down. New, exclusive distributions and differentiating activities were added to the product range, such as the Arseus Medication Management Solution. In the fourth quarter the first innovative medical products of Duo-Med (acquired in September 2009) were successfully launched in the Netherlands.

More than 900 pharmacists and directors of retirement homes and care institutions attended the launch of the Arseus Medication Management Solution (AMMS) in Brussels on 9 December 2009. The high turnout shows how relevant these issues are. AMMS is an integrated total solution for the optimisation of the supply and application of medication for care home patients by pharmacists. It was developed by Fagron, Corilus and Arseus Medical.

## **CORILUS**

Corilus grew 12.3% in the fourth quarter, 9.6% of which was organic growth. On an annual basis the growth in turnover was 9.9% and the organic growth was 6.3%. Corilus achieved above-average growth in France. Its growth was augmented by the launch of eLISA, innovative software for health centres (*Centres de Santé*) that was developed by Corilus itself and which complies with the most recent *Sesam Vitale* guidelines. Corilus and Julie-Owandy have integrated the Julie dental package into the eLISA software. This synergy has resulted in an additional module for health centres that is being launched in the French market in the first half of 2010 under the name Julie Santé.

Corilus started in 2009 with the European rollout of its software applications, following their success in Belgium. Cinnaber, the practice management system for vets, was launched in the Dutch market in the fourth quarter. More than a third of all Dutch vets learnt about Cinnaber during various roadshows. The first contracts have already been signed. The implementations of Cinnaber are expected to take place from the second quarter of 2010 onwards. The software package for ophthalmologists, Softalmo, was amended in 2009 to take account of local requirements and introduced on the French market. In the fourth quarter, Softalmo was successfully implemented in a hospital in Epernay and an agreement was signed with a hospital in Dijon for the supply and installation of Softalmo.

In Belgium, Corilus obtained official approval in the fourth quarter for its participation in the government's VINCA II project with its software for nurses, Infipius. The aim of this second project is to provide information at the patient's bed without increasing the workload for medical staff. VINCA II will start in April 2010.

## **OUTLOOK FOR 2010<sup>2</sup>**

Based on the current view and Arseus' existing portfolio, Arseus' management is expecting turnover growth of between 5% and 10% in 2010 and a recurring EBITDA that is expected to grow faster than turnover.

## **CONFERENCE CALL**

Ger van Jeveren (CEO) and Jan Peeters (CFO) will provide further details on the trading update for the fourth quarter of 2009 today in a conference call. The conference call starts at 9.30 a.m. CET. You can join from 9.15 onwards by calling +31 10 713 72 95 (Netherlands) or +32 24 04 03 34 (Belgium).

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<sup>2</sup> Disclaimer: This press release contains data on the future based on the current internal estimates and forecasts in addition to market forecasts. The statements concerning the future contain inherent risks and are only applicable on the date on which they are issued. There may be substantial differences between the actual results and the results cited in the statements about the future.

## **FINANCIAL CALENDAR FOR 2010**

27 January 10.00 a.m.	Special Meeting of Shareholders
2 March*	Annual figures for 2009
15 April	Publication of annual report
16 April*	Trading update for first quarter of 2010
10 May 3.00 p.m.	Annual General Meeting of Shareholders
14 July*	Trading update for second quarter of 2010
20 August*	Half-year figures for 2010
15 October*	Trading update for third quarter of 2010

\* Results and trading updates are published at 7.30 a.m.

*In the event of any discrepancy between the English translation and the original Dutch version of this press release, the latter shall prevail.*

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