

June 10, 2009

## **Archimica reports a strong 2008, continued investment in its plants and R&D, and an outlook for growth in 2009**

**Origgio/Italy, 10<sup>th</sup> June 2009 – Archimica announces sales of €112 million for the year to 31<sup>st</sup> December 2008. Gross profit increased substantially leading to operating profit and net income gains. For the 2008 year, Archimica achieved margins in line with pharmaceutical fine chemicals industry averages. At 31st December 2008, net third party financial debt was €2 million. Headcount was 625 at the end of 2008 with 35 new employees during the year.**

James Harrison, CEO, expressed his satisfaction with the 2008 business year: “Archimica has been focusing on quality of sales and key account management and has dropped many products that are not thought to have long-term profitable futures within Archimica. The strong 2008 performance is a result of this strategy and has been achieved despite the overall challenging global trading conditions. Each of our 5 geographic business areas (Italy, France, Germany, US and the UK) made a positive contribution and one-time projects, such as the successful settlement of arbitration proceedings with Clariant AG, were achieved. The results also clearly show the benefits of the significant investments made in improving Archimica’s overall efficiency, quality and reliability since the purchase by TowerBrook Capital Partners and Aisling Capital Partners in 2006. In addition, we are very pleased to be in a position of close to zero net debt today. It is a key differentiator versus many of our competitors during these times of high business volatility.”

Approximately 100 employees of the Archimica team are involved in new business development activities, including technical marketing staff, chemists and engineers.

Dr Andreas Meudt, Managing Director of New Business Development and R&D, commented on Archimica’s growing new business development programme:

“Archimica is focused on very close phase II and III clinical trial manufacturing relationships with innovative pharma. In 2008 alone, we have started 50 new developmental projects in this area.

The second area of focus is building the Archimica generics product catalogue – currently 10 new generic APIs are in development.

## Media Release

[www.archimica.com](http://www.archimica.com)

The third area of focus is on selected Archimica products that have wide applications across innovative and generic pharma and beyond. The flagship product in this area is T3P®. T3P® is a coupling agent that achieves significant cost savings in manufacturing processes through yield improvements and throughput benefits. A major innovation in this area is a detailed technical package, leading to approximately 40 new T3P® application projects during 2009 so far. I am convinced that this molecule has a significant role to play in reducing drug manufacturing costs."

James Harrison further commented: "With business and financial flexibility to meet customer needs and a strong development pipeline in place, we forecast revenue growth in 2009. In addition, key 2009 projects are already behind us, such as relocating our corporate HQ from Frankfurt to our largest manufacturing site at Origgio, Italy."

### Notes:

Further information on Archimica products can be found at [www.archimica.com](http://www.archimica.com). This includes T3P®, and also additional Archimica technology developments such as a new OxaPEGylation® technology, new cryogenic technologies for trifluoromethyl-substituted pyridines, complex heterocyclic boronic acids, and new enzyme applications for enantiopure products.

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### **Archimica – Strong. Steady. Focused on Pharmaceuticals.**

Archimica is a privately held leading pharmaceutical fine chemicals company that combines world-scale chemical manufacturing experience with a history of pharmaceutical commercialization that stretches back over 40 years. Archimica is particularly focused on the custom synthesis of innovative building blocks, intermediates and APIs in close cooperation with its clients. The company has more than 600 employees at seven production sites in Italy, France, Germany, US and UK and sales of € 112 million in 2008.