

November 4th, 2009

Archimica sells Isso facility, announces substantial investment programme and confirms 2009 revenue growth

Archimica Srl and Erredue SpA announce that they have signed and completed a sale & purchase transaction that transfers ownership of Archimica's manufacturing site at Isso, Italy, to Erredue. Financial details of the transaction were not disclosed.

Separately, Archimica announces the start of a substantial group-wide investment programme. This investment programme commences immediately with a €2.5 million capital allocation to capacity increase and automation improvements for key active pharmaceutical ingredients (APIs) manufactured at Archimica's largest site at Origgio, Italy. Many of Archimica's other manufacturing sites will also receive capital allocations as part of the overall investment programme.

Finally, Archimica confirms its statement in June of this year that 2009 revenues are expected to be substantially ahead of 2008 performance.

Commenting on these announcements, James Harrison, CEO of Archimica, stated:

"The Isso site is a well-run site and we wish Erredue and the on-site Isso team good luck for the future.

Archimica is embarking on a major capital investment programme at this time due to the positive outlook across many of our products. We are excited by the opportunity to improve the quality of our delivery to customers and therefore our business performance. We value our customer relationships highly and are extremely grateful for the faith that has been shown in us and our technical ability.

2009 is a challenging year in the world of pharmaceuticals. In these difficult times it is also encouraging to confirm 2009 revenue growth. This builds on Archimica's successful 2008 year and Archimica is on a firm financial footing to drive for future growth, exploiting what is probably the strongest product pipeline in our history."

Media Release

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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 six production sites in Italy, France, Germany, US and UK and sales of € 112 million in 2008. Archimica's core technologies are its T3P® technology for high-performance amide-/peptide bond formations and other cost-reducing condensations, cryogenic reactions especially for boronic acids, Lithium chemistry, Pd-catalyzed chemistries for biaryls and C,X-couplings, hydrogenations up to 80 bar, heterocyclic products, enzymatic chemistries, nitrations and aseptic filtration for bulk steriles. Production facilities at all scales up to very large volumes (> 20 m³ reactors) are available for substantial economies of scale for large-volume products.

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