

# Market Review and Strategic Alternatives

Presentation To:  
Hikma Pharmaceuticals Plc

January 15, 2009



**TresVista**  
FINANCIAL SERVICES

# Strategic Alternatives

## Index

- Executive Summary
- MENA Macroeconomic Outlook
- Pharmaceutical Industry Outlook
  - Global
  - Egypt
  - Jordan
  - UAE
- Hikma Pharmaceuticals Plc
- Potential Targets
  - Gulf Pharmaceutical Industries PSC (Julphar)
  - Dar Al Dawa Development and Investment Company
  - Middle East Pharmaceutical and Chemical Industries Company (Midpharma)
  - Egyptian International Pharmaceutical Industries Company (EIPICO)
  - Arab Center for Pharmaceuticals and Chemicals Industries Co

# Strategic Alternatives

## Executive Summary

---

- **Pharmaceuticals' biggest markets-USA, and Western Europe are facing a strong downturn**
- **R&D expenses combined with not so powerful drug pipeline is putting pressure on costs**
- **At the same time, strong growth is expected from emerging economies of MENA, and Asia**
- **MENA Region's growth is driven by Population and Strong Economic growth, Government Policies turning favorable, Creation of a Common Middle East market, Implementation of Intellectual Property Laws and TRIPS**
- **Opportunities exist in Branded, Generic with key therapeutic areas being the modern lifestyle diseases**
- **Current global financial crisis has brought valuations within an attractive range**

**Hikma Pharmaceuticals should use attractive valuations in the market to expand in new markets and product portfolio in one of the growing pharmaceuticals markets of the world**

# MENA Macroeconomic Outlook

# MENA Macroeconomic Outlook

## Highlights

### Growth

- Economies in the Middle East and North Africa (MENA) region are among the fastest growing in the world in the current situation of global meltdown
- The increased share of non-oil activities in the regional GDP has improved diversification and should help sustain economic activities
- Slowdown in major developed economies is expected to increase capital inflows in the MENA region

### Inflation

- High growth in MENA has been accompanied with rising inflation at 14.4% in 2008E and 12.7% in 2009E
- Government's effort to decrease inflation is expected to re-stimulate consumer spending after witnessing a temporary slowdown in 2008

### Liquidity

- MENA region's strong money supply in 2009 is expected to insure availability of adequate liquidity for financing infrastructure projects and expansion plans
- Financial system in MENA is much more solid compared to developed and other emerging economies due to its minimal exposure to international markets and focus on core banking activities and prudent credit standards
- Foreign currency reserves stand at their historical highs, further strengthening the economic situation and making regional governments better able to weather the crisis

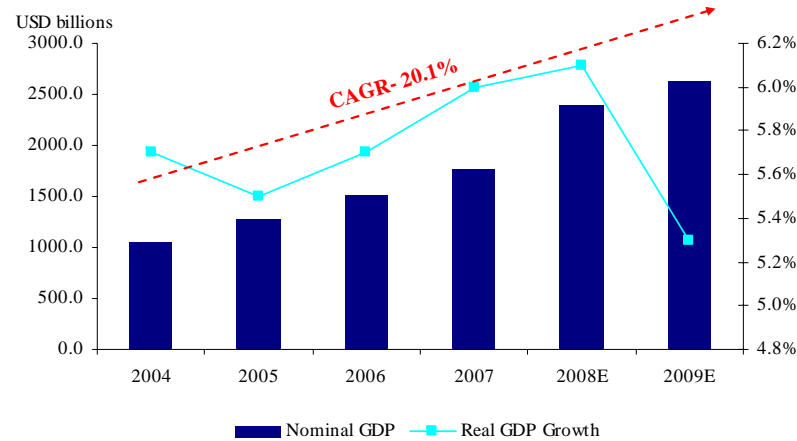
### Capital Markets

- MENA markets have outperformed other emerging markets on YTD basis due to a much lesser integration with international markets compared to China and India
- Current valuations constitute an excellent opportunity for disciplined investors with medium to long term horizons

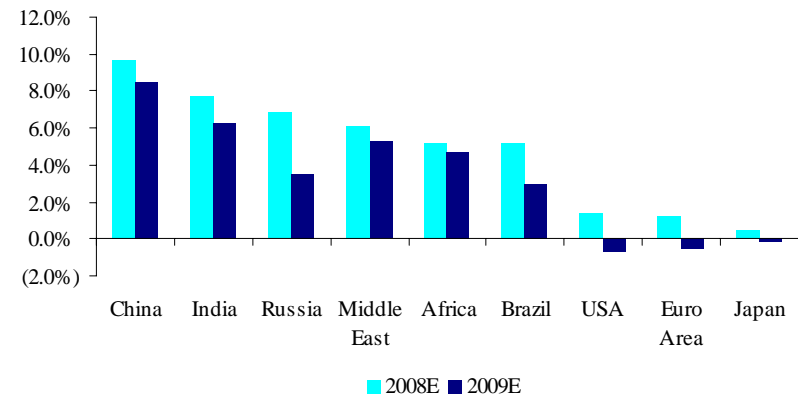
# Macroeconomic Outlook

## GDP Growth

### Nominal GDP vs. Real GDP Growth (1)



### Real GDP (% Growth) (3)



### Comparative Real GDP Growth (2)

GDP Growth (%)	2004	2005	2006	2007	2008E	2009E
China	10.1	10.4	11.6	11.9	9.7	8.5
India	7.9	9.1	9.8	9.3	7.8	6.3
<b>Middle East</b>	<b>5.8</b>	<b>5.7</b>	<b>5.7</b>	<b>6.0</b>	<b>6.1</b>	<b>5.3</b>
<b>Emerging &amp; Developing Markets</b>	<b>7.5</b>	<b>7.1</b>	<b>7.9</b>	<b>8.0</b>	<b>6.6</b>	<b>5.1</b>
Africa	6.5	5.8	6.1	6.1	5.2	4.7
Russia	7.2	6.4	7.4	8.1	6.8	3.5
World Output	4.9	4.5	5.1	5.0	3.7	2.2
Japan	2.7	1.9	2.4	2.1	0.5	(0.2)
Advanced Economies	3.2	2.6	3.0	2.6	1.4	(0.3)
Euro Area	2.1	1.6	2.8	2.6	1.2	(0.5)
United States	3.6	2.9	2.8	2.0	1.4	(0.7)
United Kingdom	2.8	2.1	2.8	3.0	0.8	(1.3)

The MENA region has experienced stable economic growth over the past few years that has outpaced developed nations

(1) Source: IMF's Regional Economic Outlook- MENA Report October 2008.

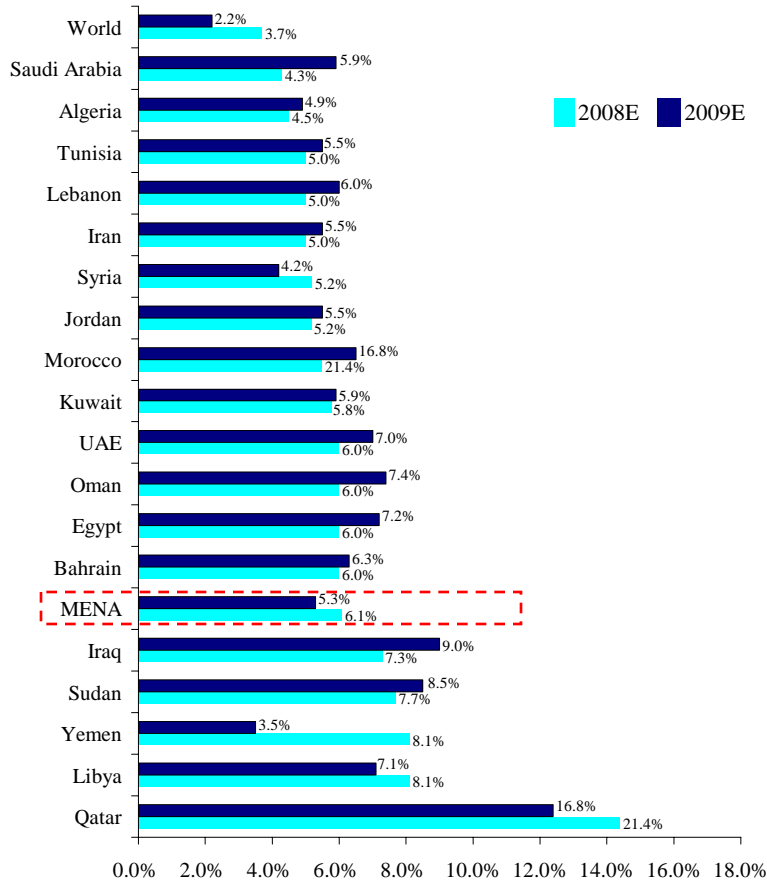
(2) Source: IMF Report, WEO November 2008.

(3) Source: IMF Report, MENA Economic Overview - November 2008

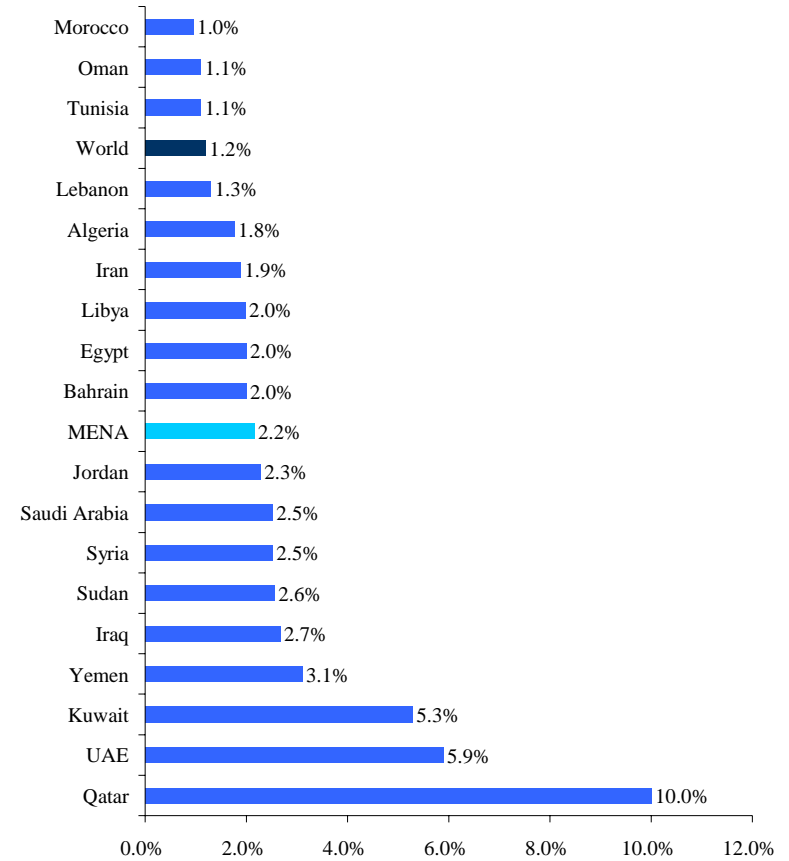
# Macroeconomic Outlook

## GDP and Population (1)

### Real GDP Growth



### 2004-2009 Population CAGR



In spite of slowdown, MENA's 2009 GDP growth is expected to be higher than the rest of the World

(1) Source: IMF Report, WEO November 2008.

# Macroeconomic Outlook

## Foreign Direct Investment (FDI)

### Inflow and Outflow <sup>(1)</sup>

Country	Inflow (US \$ mn)			Outflow (US \$ mn)			Net flow (US \$ mn)		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
Saudi Arabia	12,097.0	18,293.0	24,318.0	53.0	1,257.0	13,139.0	12,044.0	17,036.0	11,179.0
Egypt	5,376.0	10,043.0	11,578.0	92.0	148.0	665.0	5,284.0	9,895.0	10,913.0
UAE	10,900.0	12,806.0	13,253.0	3,750.0	10,892.0	6,625.0	7,150.0	1,914.0	6,628.0
Lebanon	2,791.0	2,739.0	2,845.0	122.0	70.0	233.0	2,669.0	2,669.0	2,612.0
Sudan	2,305.0	3,541.0	2,436.0	-	7.0	11.0	2,305.0	3,534.0	2,425.0
Libya	1,038.0	2,013.0	2,541.0	128.0	534.0	479.0	910.0	1,479.0	2,062.0
Morocco	1,653.0	2,450.0	2,577.0	74.0	445.0	652.0	1,579.0	2,005.0	1,925.0
Oman	1,688.0	1,623.0	2,377.0	234.0	328.0	570.0	1,454.0	1,295.0	1,807.0
Jordan	1,774.0	3,219.0	1,835.0	163.0	138.0	48.0	1,611.0	3,081.0	1,787.0
Tunisia	782.0	3,312.0	1,618.0	13.0	33.0	20.0	769.0	3,279.0	1,598.0
Algeria	1,081.0	1,795.0	1,665.0	23.0	35.0	290.0	1,058.0	1,760.0	1,375.0
Syria	500.0	600.0	885.0	61.0	55.0	55.0	439.0	545.0	830.0
Iran	918.0	317.0	754.0	452.0	386.0	302.0	466.0	(69.0)	452.0
Yemen	302.0	1,121.0	464.0	65.0	56.0	54.0	237.0	1,065.0	410.0
Iraq	515.0	383.0	448.0	89.0	305.0	147.0	426.0	78.0	301.0
Bahrain	1,049.0	2,915.0	1,756.0	1,135.0	980.0	1,669.0	(86.0)	1,935.0	87.0
Palestine	47.0	19.0	21.0	40.0	139.0	56.0	7.0	(120.0)	(35.0)
Qatar	1,298.0	159.0	1,138.0	352.0	127.0	5,263.0	946.0	32.0	(4,125.0)
Kuwait	234.0	122.0	123.0	5,142.0	8,207.0	14,203.0	(4,908.0)	(8,085.0)	(14,080.0)
<b>Total MENA</b>	<b>46,348.0</b>	<b>67,470.0</b>	<b>72,632.0</b>	<b>11,988.0</b>	<b>24,142.0</b>	<b>44,481.0</b>	<b>34,360.0</b>	<b>43,328.0</b>	<b>28,151.0</b>

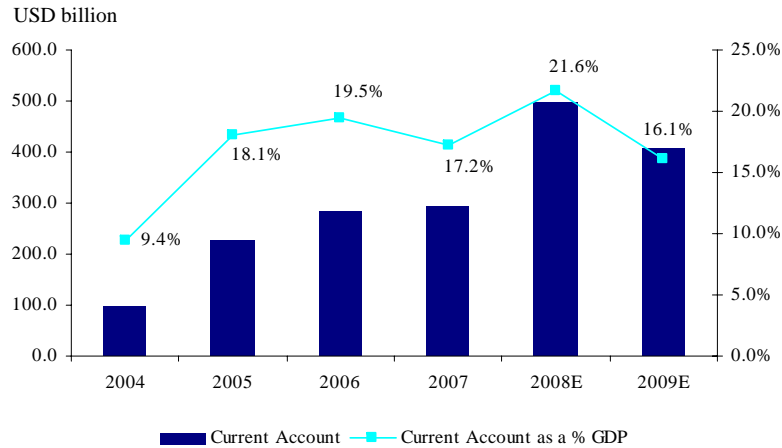
Among the MENA countries, Saudi Arabia, Egypt, and UAE have been largest recipients of FDI



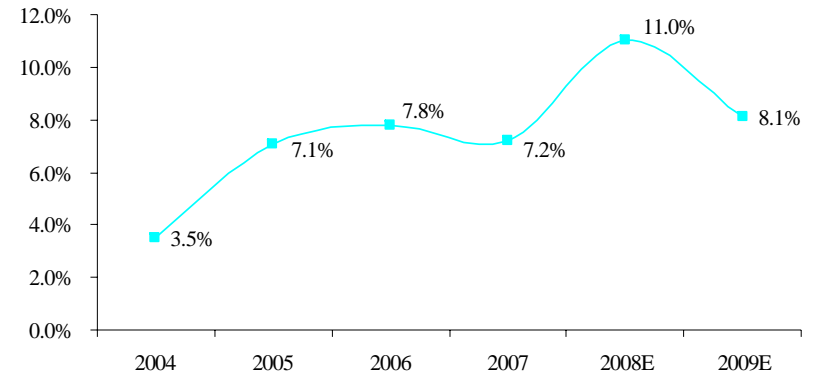
# Macroeconomic Outlook

## Economic Indicators

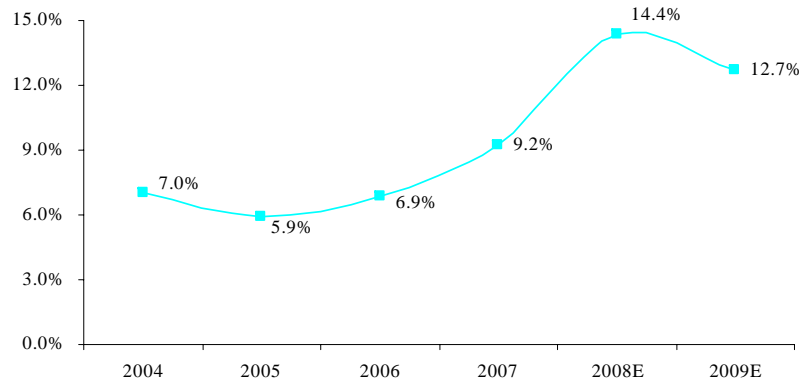
### Current A/c Balance & as % of GDP (1)



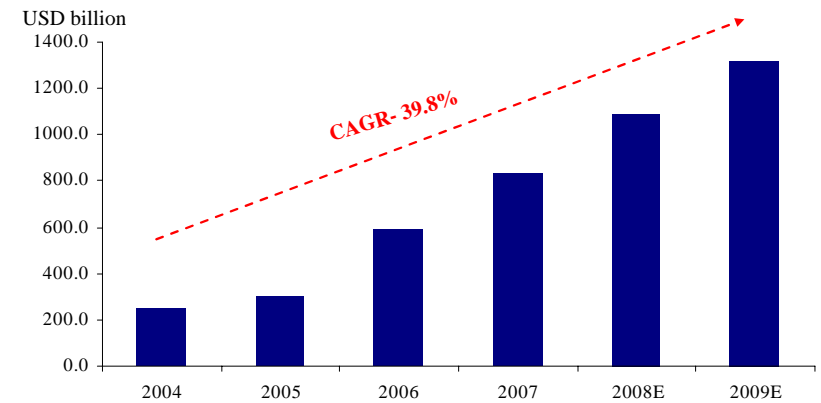
### Fiscal Account as % of GDP (1)



### Consumer Price Inflation (2)



### Gross Official Reserves (1)



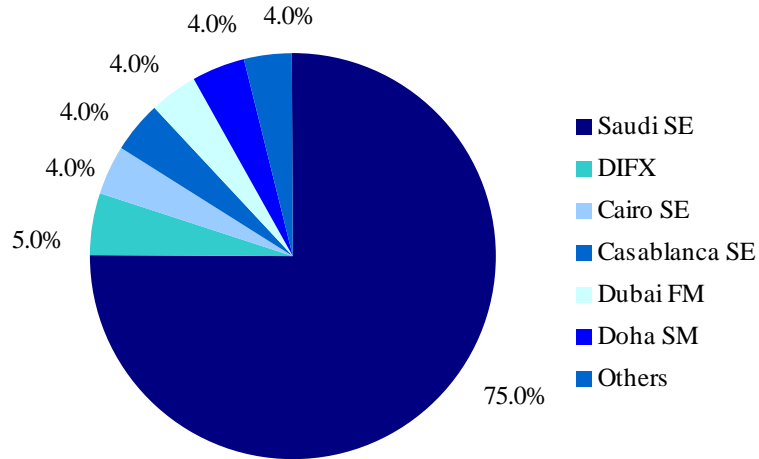
(1) Source: IMF's Regional Economic Outlook- MENA Report October 2008.

(2) Source: Global Investment House, MENA Economic Overview November 2008.

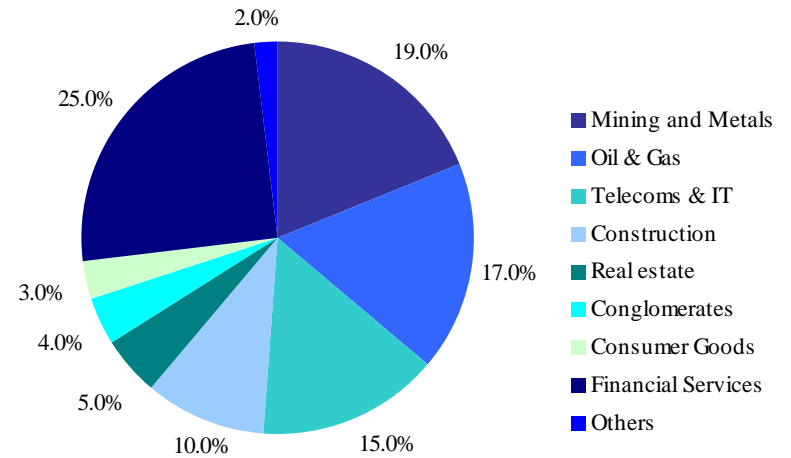
# Macroeconomic Outlook

## Capital Markets (1)

### Capital Raised by Exchange



### Capital Raised by Sector



IPO Activity	9M-2008
Amount raised (in billions)	\$13.0
Number of IPO's	50

(1) Source: Global Investment House, MENA Economic Overview November 2008.

# Pharmaceutical Industry Overview

# Global Pharmaceutical Industry Outlook



# Global Pharmaceutical Industry Outlook

## Overview

### Developed Markets

- The pharmaceutical industry had over \$700 billion in global sales in 2007
- North America and Europe account for approximately 78.0% of the global pharmaceutical product sales
- Europe had a growth of 6.7% in 2007 pharmaceutical sales due to emerging economies from Eastern Europe
- North American pharmaceutical sales were flat
- Patent protection in developed markets have caused differences in prices between developed and emerging markets leading to disparities in market share
- Japan pharmaceutical market grew only 3.6% in 2007

### Emerging Economies

- Large untapped population, increasing economic growth make emerging economies lucrative pharmaceutical market
- Asia, Africa, and Australia combined account for only 8.6% combined
- Asian pharmaceutical markets (ex-Japan) collectively grew 13.3% in 2007
- China (25.0%) and India (13.0%)

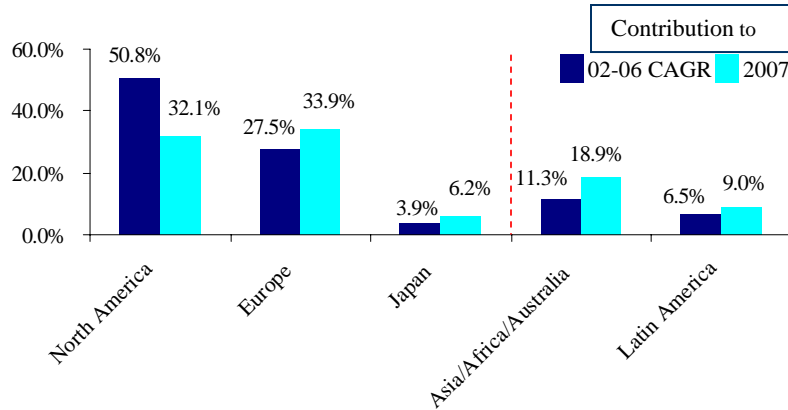
### Global Pharmaceutical Trends

- Large proportion of emerging pharmaceutical market are generic. The US market is slowly shifting to use of generics produced in Middle East, India and China
- Generics by volume had reached 67.0% of the total US pharmaceutical market in 2007 and is expected to grow further
- Branded pharmaceutical has been performing much worse than the slowing global market with H1 08 volumes declines by 17.0%. Decline in H2 07 was 15.0% and 9.0% in H1 07

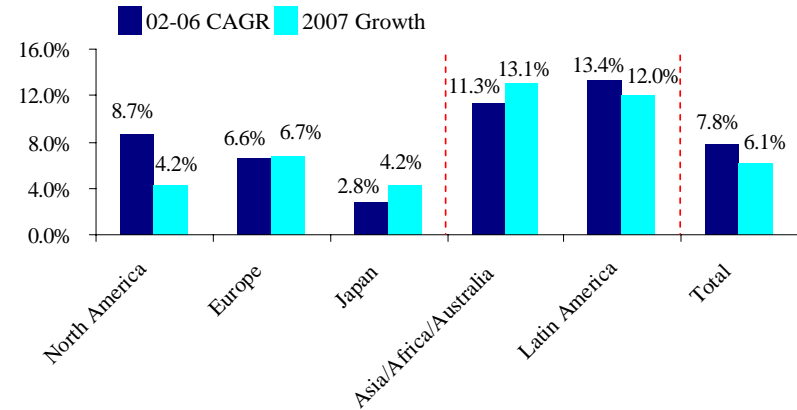
# Global Pharmaceutical Industry Outlook

## Pharmaceutical Market Size

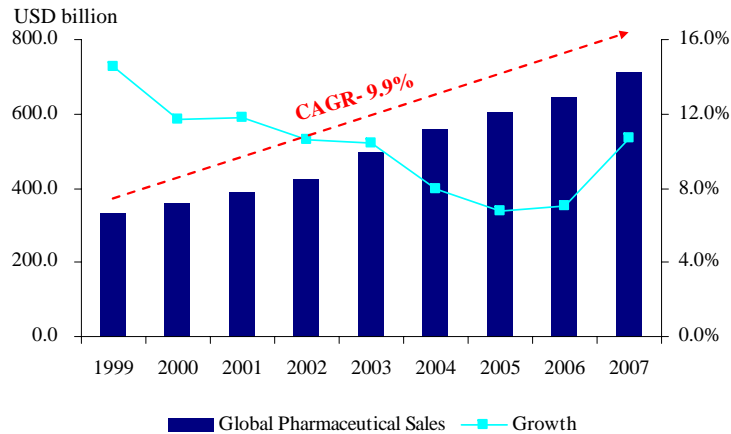
### Contribution to Global Sales Growth (2)



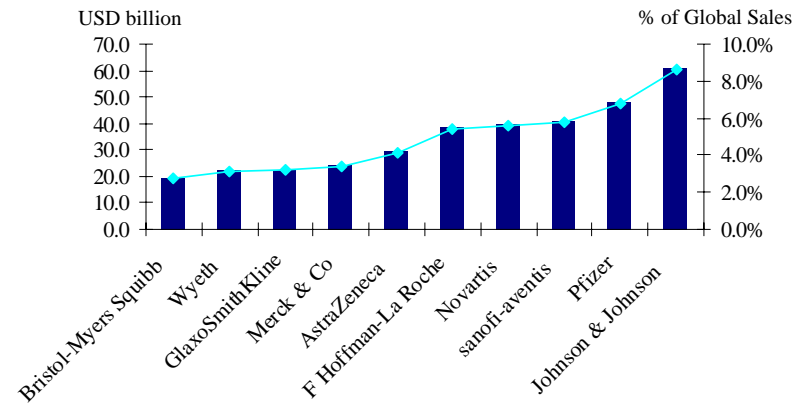
### Global Sales Growth by Geography (2)



### Global Pharmaceutical Sales (1)



### Top Companies by Sales (3)



North America & Europe are the biggest pharma markets in the world, but 2007 did not see them as growth drivers

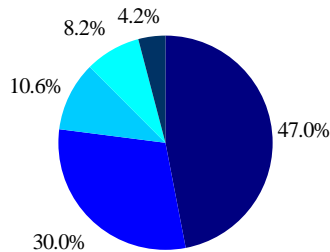
(1) Source: IMS Health, GCG Analysis.  
 (2) Source: IMS Health, JPMorgan.  
 (3) Source: Scrip Pharmaceutical Company League Tables 2008, and Sales 2007.

# Global Pharmaceutical Industry Outlook

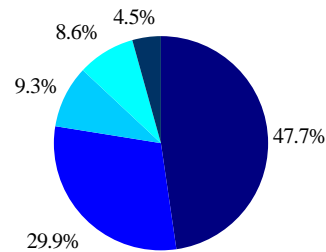
## Emerging Markets

### Global Market Share (1)

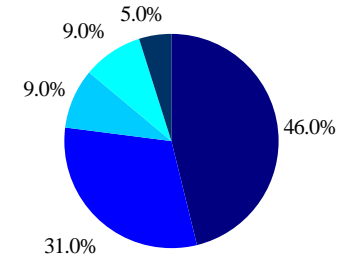
Global Areas Market Share - 2005



Global Areas Market Share - 2006

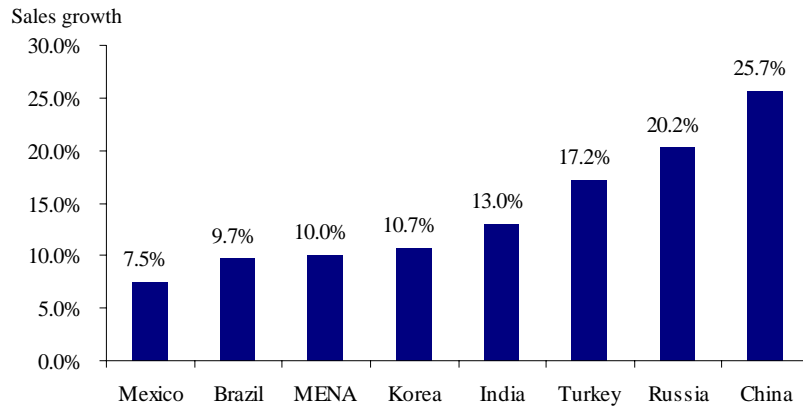


Global Areas Market Share - 2007

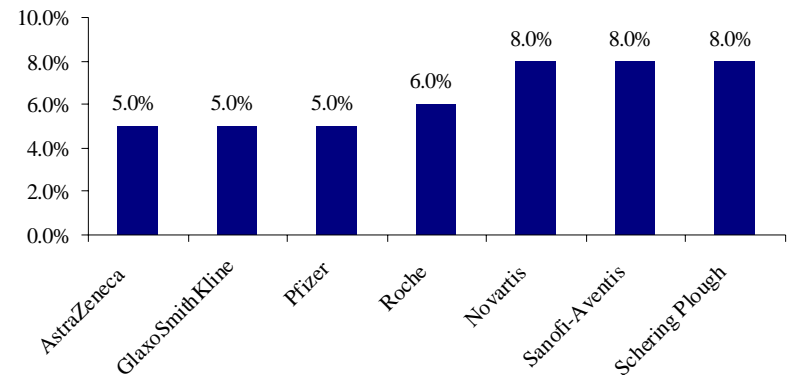


■ North America ■ Europe ■ Japan ■ Asia/Africa/Australia ■ Latin America

### 2007 Pharmaceutical Sales Growth (2)



### Large Cap exposure to Developing Markets (3)



Global pharmaceutical growth is increasingly being driven by developing markets

(1) Source: IMS Health, JPMorgan, GCG Analysis.

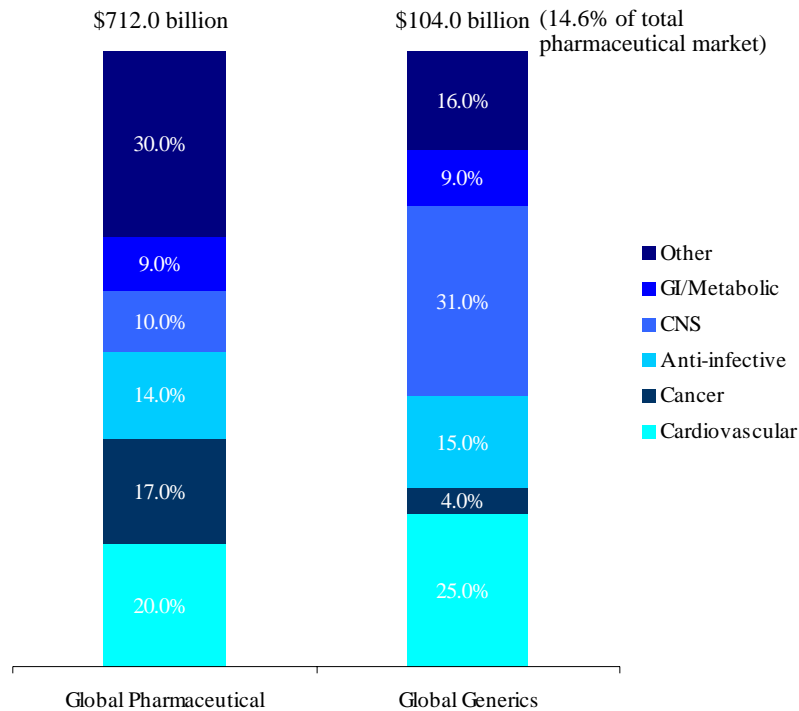
(2) Source: IMS Health, 360 (2007)

(3) Source: JPMorgan. Developing market defined as Brazil, Russia, India, China, Mexico, South Korea, and Turkey, Statistics for 2007.

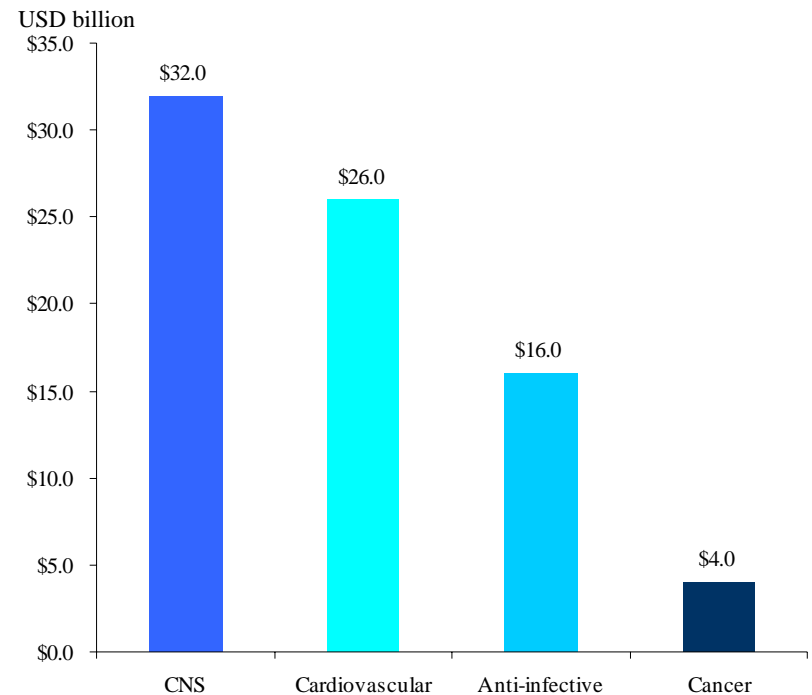
# Global Pharmaceutical Industry Outlook

## Increasing Use of Generics

### Pharmaceutical Market Size <sup>(1)</sup>



### Market Size for Key Therapeutic Areas <sup>(1)</sup>



**65.0% of global generic sales are from the top 4 key therapeutic areas**

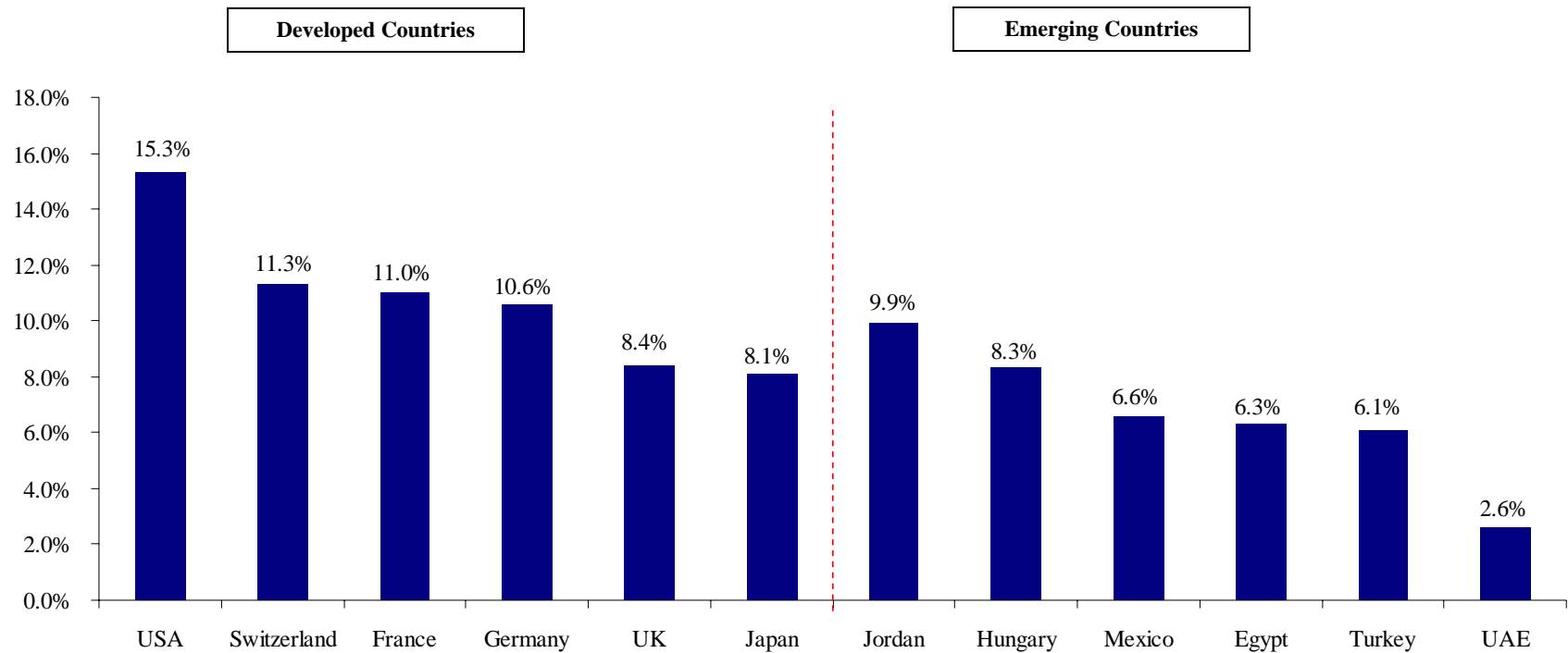
<sup>(1)</sup> Source: IMS Health, Hikma Injectables report November 2008, Statistics for 2007.



# Global Pharmaceutical Industry Outlook

## Healthcare Expenditure

### Total Health Expenditure as % of GDP (1)

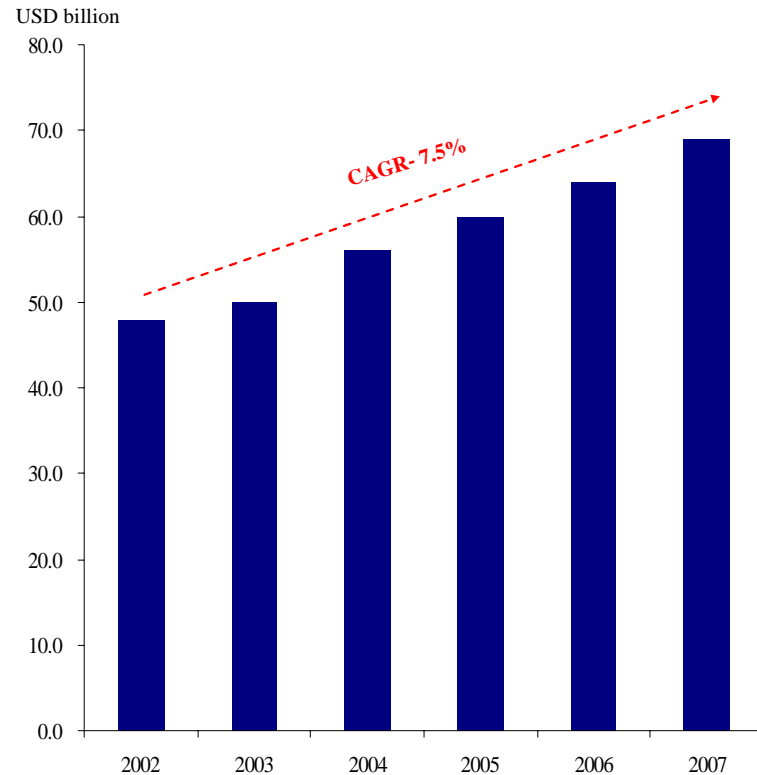


**Lower Healthcare expenditure as % of GDP indicates the need for more spending on healthcare facilities to match international standards and meet growing demand**

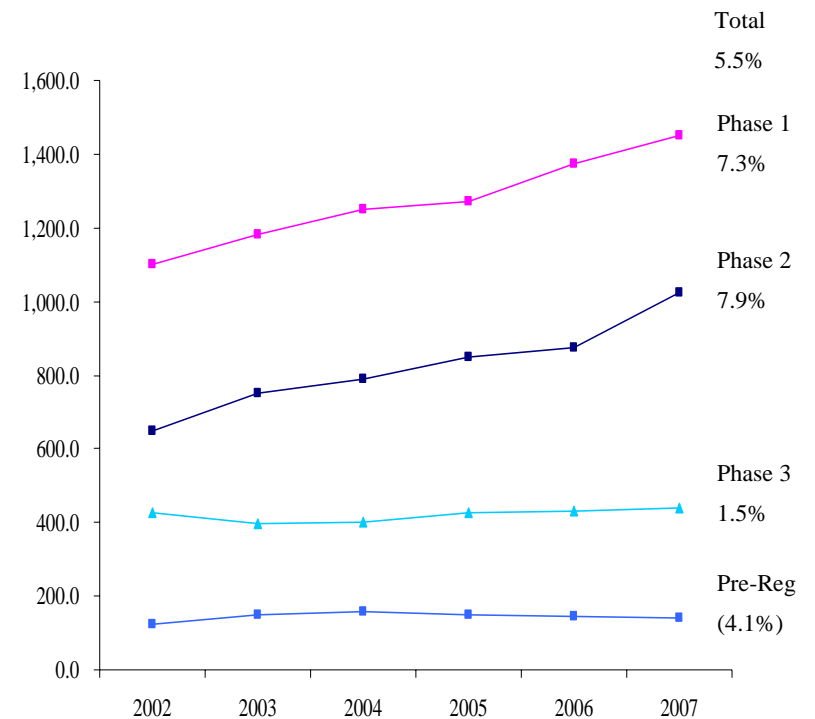
(1) Source: IMF Report, WEO November 2008, Statistics for 2006.

# Global Pharmaceutical Industry Research and Development

## Global Pharmaceutical R&D Spend (1)



## Pipeline Products in Development by Year (2)



Despite rising R&D spend, the drug pipeline for new drugs has been decreasing

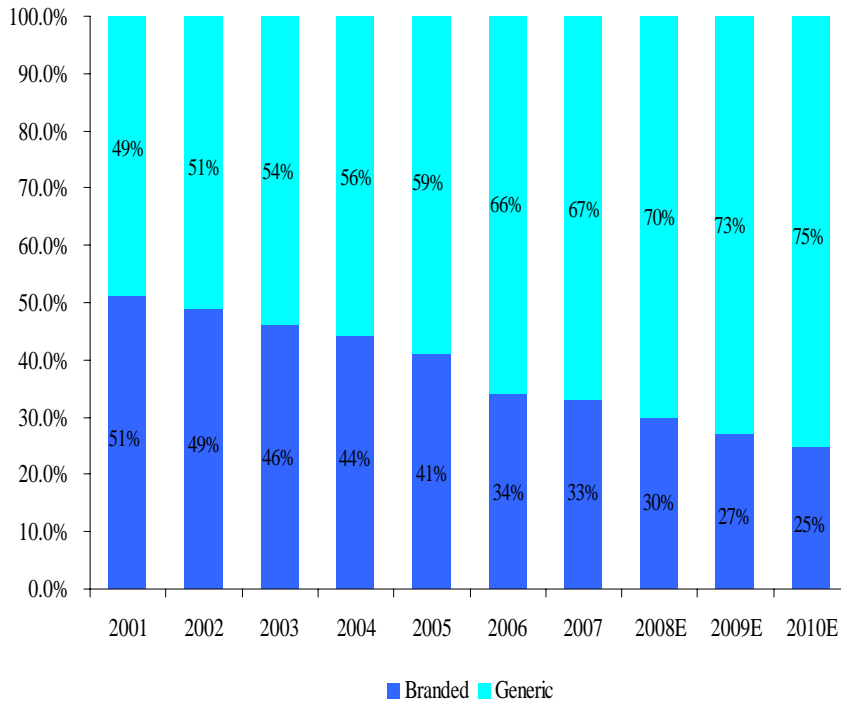
(1) Source: JPMorgan, Parexel, CMR international.

(2) Source: Parexel international, derived from pharmaceutical projects 2008, and JPMorgan.

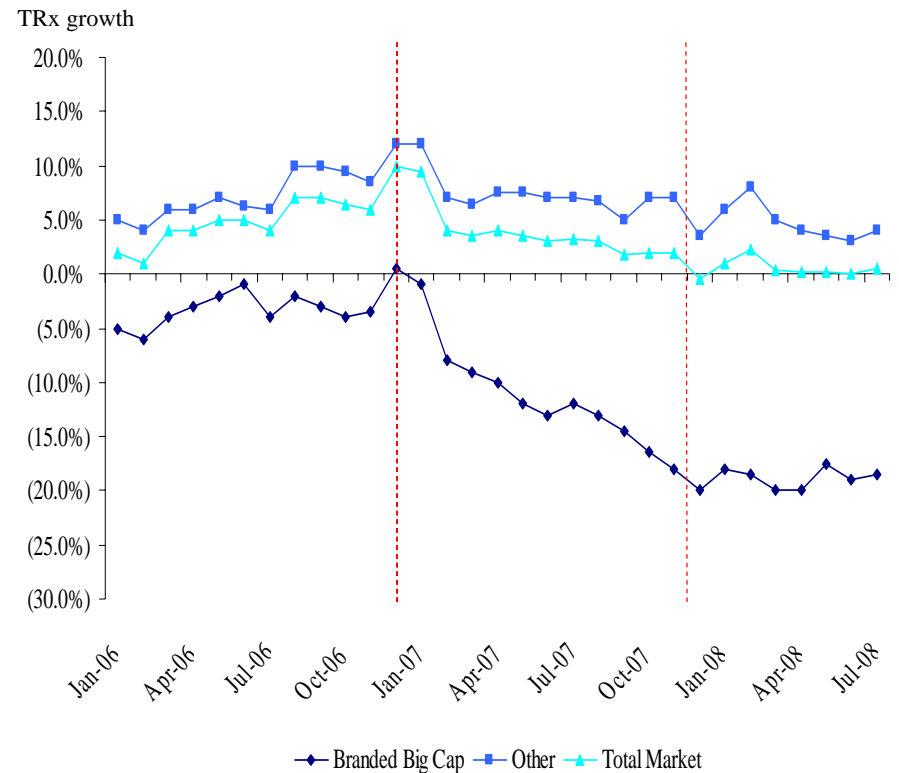
# Global Pharmaceutical Industry Outlook

## USA Pharmaceutical Market

### USA Market Split by Volume (1)



### US TRx Growth (1)



**H1 2008 has seen the worst prescription volume performance in USA accompanied by underperforming branded segment**

(1) Source: IMS Health, JPMorgan.  
 (2) Note: TRx growth means Total prescription growth.

# Egyptian Healthcare & Pharmaceutical Industry

# Egyptian Healthcare & Pharmaceutical Industry

## Overview

### Healthcare

- Most Egyptian social indicators have improved significantly in recent decades- life expectancy at birth, and rate of infant mortality
- Egypt's healthcare system is mainly state funded with healthcare dispensation free at the point of delivery
- The public sector accounts for the bulk of hospital care in Egypt, but its share is constantly declining
- Demographic trends are increasing pressure on the under-funded state healthcare system
- Government is focusing on plans to improve access to healthcare and extend health insurance to a large share of the population

### Pharmaceutical Market

- Egypt is the largest producer and consumer of pharmaceuticals in the MENA region
- Egypt also provides excellent access to the markets in the MENA region
- Locally based companies (including companies which produce foreign brands under license) account for 92.0% - 94.0% of domestic sales by volume but only around 56.0% of value
- The remainder of pharmaceutical market is made up of imports of highly specialized, and more valuable pharmaceuticals not produced locally
- Multinationals account for about 30.0% of local sales through domestic manufacturing and 35.0% through licensing agreements
- Proportion accounted for by generic production is higher in the Egyptian market
- There are 38 pharmaceutical companies operating in Egypt
  - 12 are state owned
  - 17 are private sector
  - 9 multinationals
- Egypt exports 6.0% of pharmaceutical output. The ministry of health intends to increase the exports over the next few years, through favorable policies
- Public sector companies spend less than 3.0% of sales on R&D
- Government has considered pharmaceuticals a "strategic" industry and implemented TRIPS in 2005

*Source: BMI, EIU.*

# Egyptian Healthcare & Pharmaceutical Industry

## SWOT <sup>(1)</sup>

### Strengths

- Gateway to other emerging and less penetrable Middle Eastern, Asian and African markets
- Well-established manufacturing industry, focusing on high-volume basic medicine
- Low labour costs and a large pool of highly trained doctors, pharmacists, engineers and skilled technicians

### Opportunities

- Sector modernization, with plans to increase healthcare insurance coverage
- Potential for generic sector growth as the government becomes increasingly cost-conscious
- Potential liberalization of the retail pharmacy sector
- Government finally deciding to raise prices of drugs to compensate for increased costs of raw materials

### Weaknesses

- Per-capita drug spending in Egypt is among the lowest in the Middle East
- Regulatory regime difficult for foreign firms
- Patent law remaining notably below international standards, with data protection and enforcement being major concerns
- Market reliant on imports at the hi-tech end of the scale

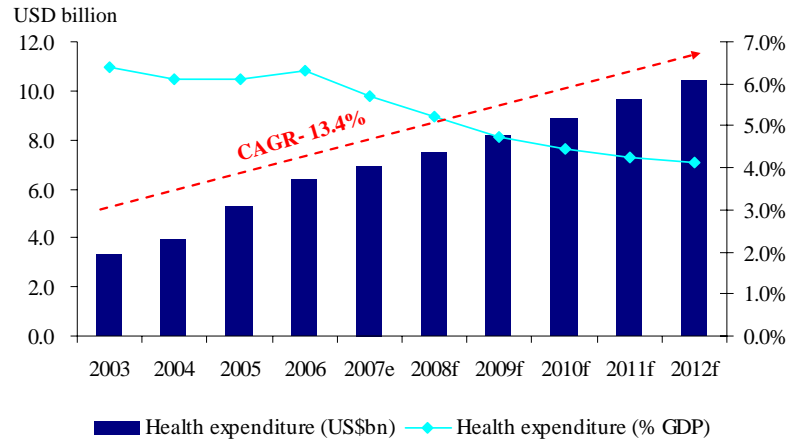
### Threats

- Continued government resistance towards fully aligning domestic patent law with international norms
- A failure to revise opaque and discriminatory government pricing and reimbursement policy
- The reluctance of the government fully to privatize the drug industry

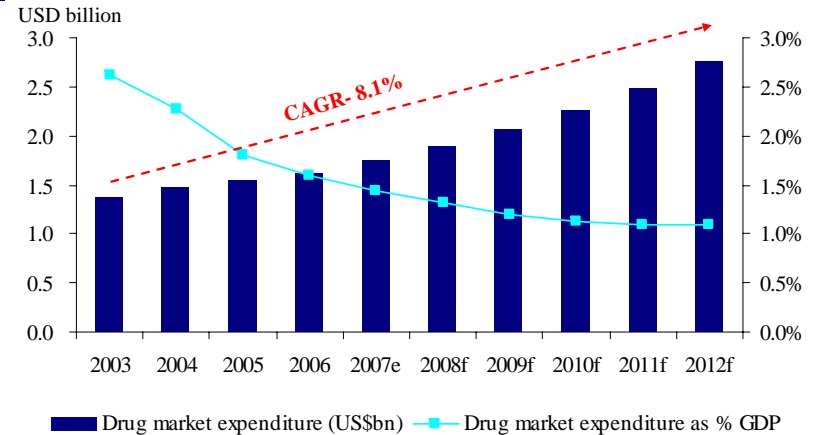
# Egyptian Healthcare & Pharmaceutical Industry

## Pharmaceutical Market Size (1)

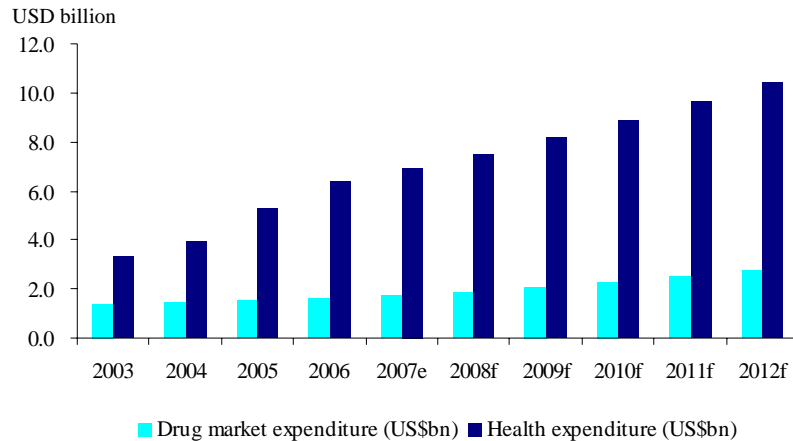
### Health Expenditure as % of GDP



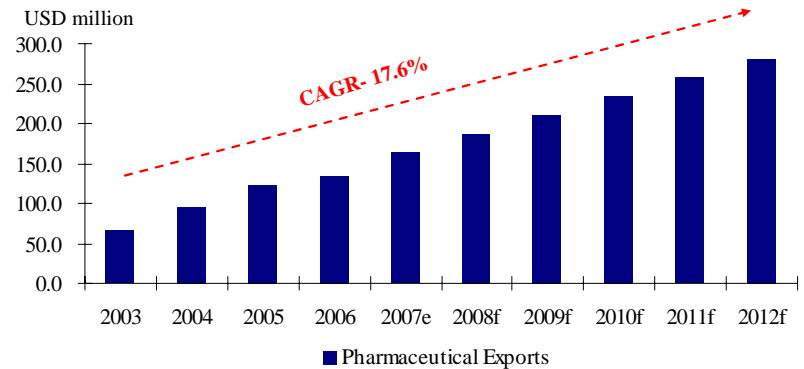
### Drug Market Trends



### Health & Drug Market Expenditure



### Pharmaceutical Exports

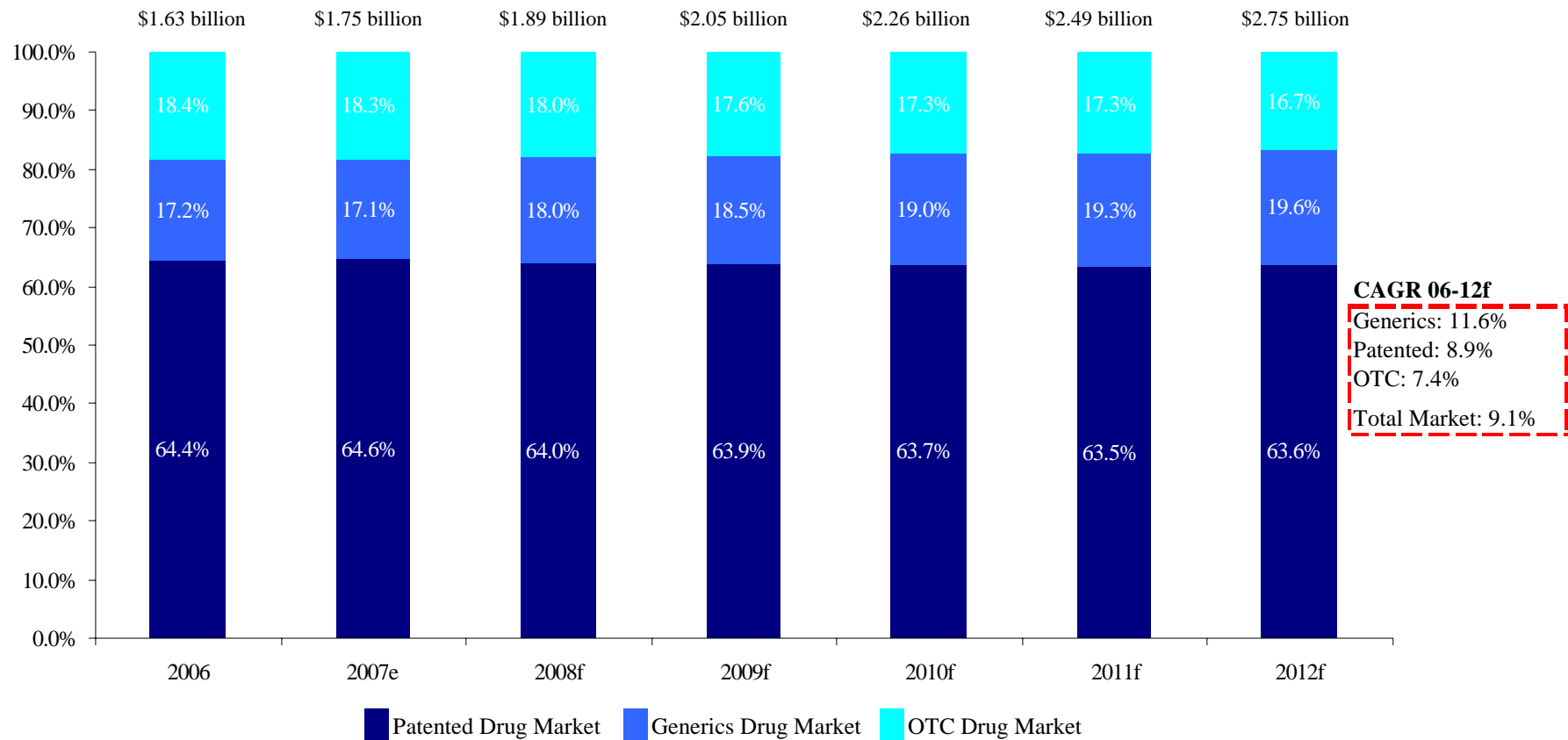


The Egyptian drug market is expected to show a steady growth with expanding GDP and population

(1) Source: UN, BMI, Ministry of Health and Population, National Statistics Office; e/f = estimate/forecast.  
 Note: Drug market expenditure = Pharmaceutical expenditure; and Health expenditure = overall healthcare industry in the country.

# Egyptian Healthcare & Pharmaceutical Industry

## Drug Market Classification <sup>(1)</sup>



**Generics growth is expected to be above general market trends based on Governments cost conscious policy, but patented medicines will continue to account for the bulk in value terms**

(1) Source: UN, BMI, Ministry of Health and Population, National Statistics Office; e/f = estimate/forecast.  
 Note: Prescription drug market includes Patented and Generics drug market.



# Jordanian Healthcare & Pharmaceutical Industry

# Jordanian Healthcare & Pharmaceutical Industry

## Overview

### Healthcare

- Overall health conditions in Jordan are among the best in the MENA region – low infant mortality rates, high life expectancy
- The country however, suffers from modern day style with obesity and diabetes
- Jordan has some of highest level of diabetes in the world
- The main health providers in the country are the ministry of health, the Jordan Armed forces and the private sector
- The Jordanian law puts healthcare responsibility on the government but the system seems to be under stress due to increasing population and funding requirements
- 70.0% of Jordanian are covered by either public or private medical insurance with government aiming to reach 100.0% by 2012

### Pharmaceutical Market

- The Jordanian pharmaceutical market is well developed despite its small size
- Jordan spent 9.3% of GDP in 2007 on health and 2.2% of GDP on pharmaceuticals
- The pharmaceutical industry is one of largest and significant industries in Jordan - driven primarily by exports
- Generics dominate the drug market with sales accounting for two-third of total market value
- Demand for sophisticated treatments increasing market share of patented drugs
- Local production is dominated by three companies Hikma, APM (now a part of Hikma), and Dar Al Dawa. They together account for more than three-quarter of output
- Pharmaceutical exports constitute around 20.0% of the country's GDP and is second largest exporting industry in Jordan
- Improved Intellectual Property (IP) regime is attracting multinationals to Jordan
- Rising competition, the lack of indigenous R&D and the need for modernization is expected to result in consolidation of the sector over the coming years

Source: BMI.

# Jordanian Healthcare & Pharmaceutical Industry

## SWOT <sup>(1)</sup>

### Strengths

- Domestic industry strong in areas such as antibiotics, anti-ulcerants, as well as niches including hormones and antiretrovirals – but most is destined for export
- Strong legal protection and enforcement to protect intellectual property rights
- High prices of medicines, due to ineffective use of generics
- Several companies operating in Jordan boasting US FDA or current Good Manufacturing Practices (cGMP) certificates

### Opportunities

- Stronger intellectual property laws encouraging domestic generics companies to engage in research
- The government is keen to develop its domestic industry, both in terms of encouraging local sector expansion and foreign investment
- US free trade agreement (FTA) to help the domestic drug market to develop in the long term and encourage licensing deals between local players and US-based multinationals

### Weaknesses

- Market reliant on imports for hi-tech treatments
- Restrictive drug pricing policy for imports in particular
- Fragmented local manufacturing sector, with the top five players only accounting for 25.0% of the market

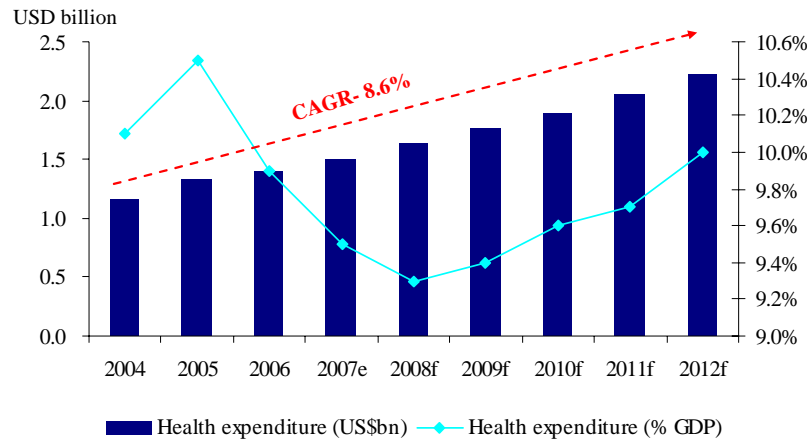
### Threats

- A failure to revise the government's discriminatory drug pricing policy
- Strong competition from other regional generics players, as well as Indian and Chinese companies

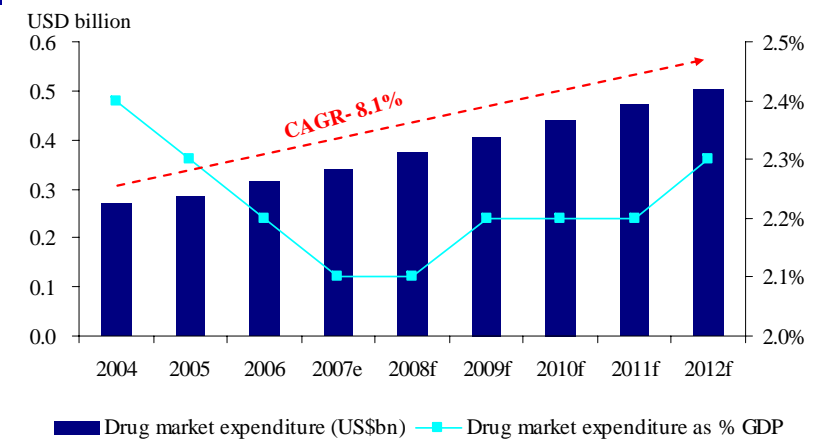
# Jordanian Healthcare & Pharmaceutical Industry

## Pharmaceutical Market Size

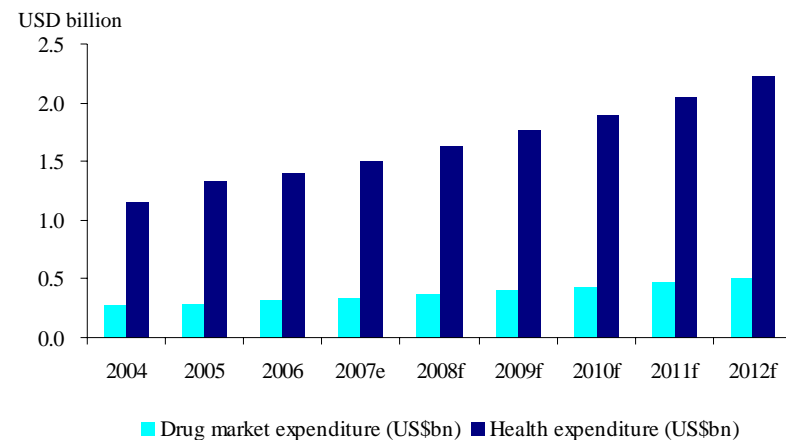
### Health Expenditure as % of GDP (2)



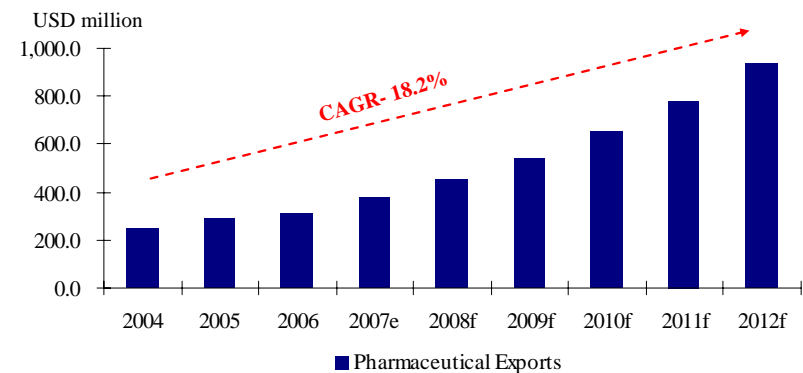
### Drug Market Trends (1)



### Health & Drug Market Expenditure (2)



### Pharmaceutical Exports (3)



Jordan is expected to continue with its high percent of Health expenditure to GDP and be a net exporter with continued regulatory and infrastructure support

(1) Source: IMS Health, BMI, JAPM, JFDA; ef = estimate/forecast.

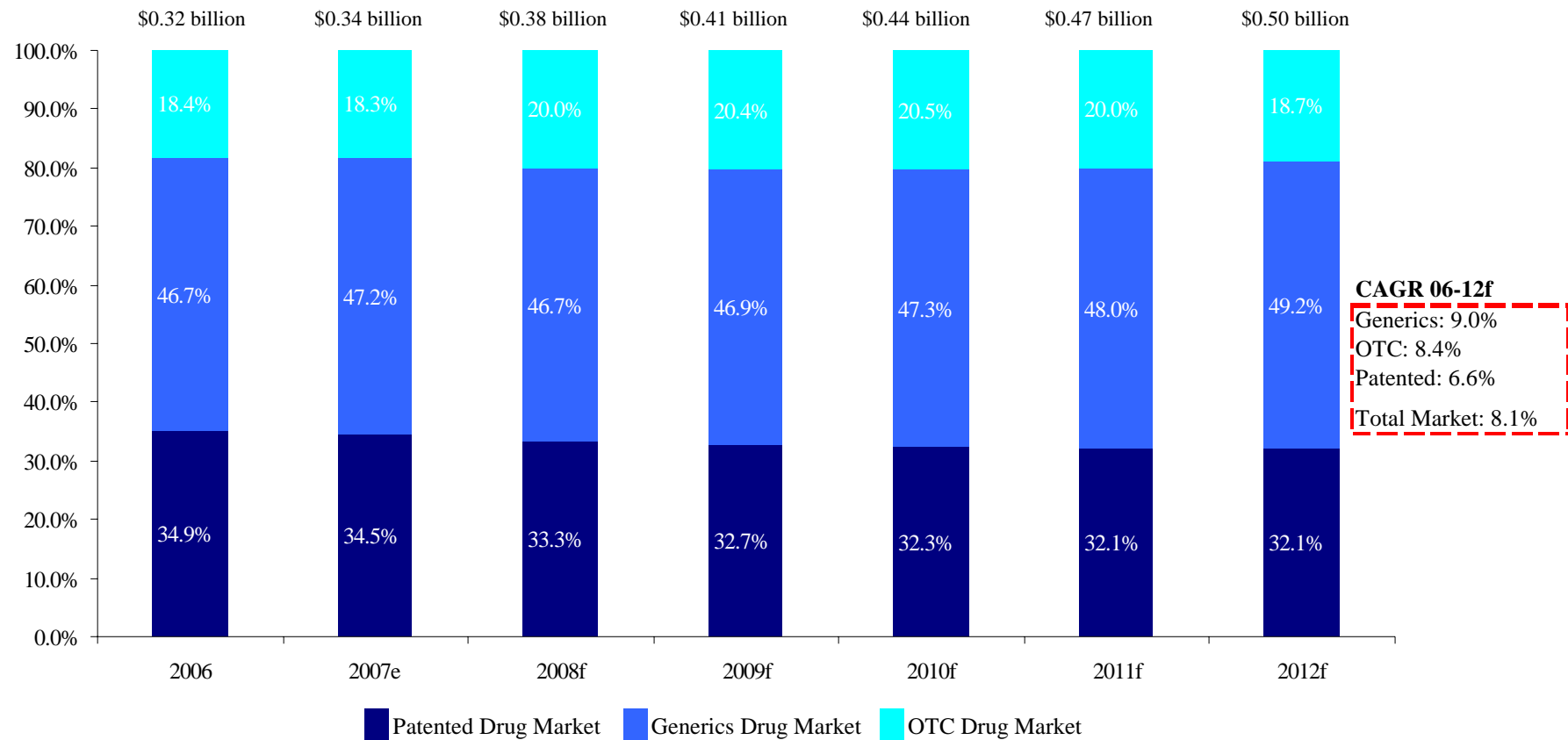
(2) Source: WHO, Ministry of Health, JFDA, BMI; ef = estimate/forecast

(3) Source: ITC, JFDA, JAPM, BMI; ef = estimate/forecast and Jordan's National Competitiveness Report, 2007.

Note: Drug market expenditure = Pharmaceutical expenditure; and Health expenditure = overall healthcare industry in the country.

# Jordanian Healthcare & Pharmaceutical Industry

## Drug Market Classification <sup>(1)</sup>



**Jordanian market is expected to be dominated by generic drugs eroding patented drugs market value**

(1) Source: IMS Health, BMI, JAPM, JFDA; ef = estimate/forecast.  
 Note: Prescription drug market includes Patented and Generics drug market.

# UAE Healthcare & Pharmaceutical Industry

# UAE Healthcare & Pharmaceutical Industry

## Overview

### Healthcare

- UAE boasts of strong healthcare provision and more investments expected in future
- Health indicators have improved, with increased life expectancy and a decrease in infant mortality
- The country is seeing an increase in modern day diseases like obesity, blood pressure, and diabetes
- Business monitor international (BMI) expects strong growth over the next 5 years 2009-2014 in the UAE healthcare sector
- Growing size has attracted a number of companies with market share of private healthcare sector rising significantly
- The Ministry of Health is planning to reduce its direct control of the sector as much as possible

### Pharmaceutical Market

- UAE's wealth has made its pharmaceutical industry one of the most developed inspite of small size
- UAE pharmaceutical market is characterized by fierce competition and high prices
- Pharmaceuticals accounts for 0.3% of UAE's GDP
- Many major research based pharmaceutical companies have a long-standing presence in the UAE, either via contract manufacturing a local distribution agreements
- The domestic industry is small with Gulf Pharmaceutical (Julphar) as the leader
- The Gulf co-operation council (GCC) is in talks to implement an unified pricing policy and drug regulation system which may lead to fall in medicine prices in UAE

Source: BMI.

# UAE Healthcare & Pharmaceutical Industry

## SWOT <sup>(1)</sup>

### Strengths

- One of the more developed markets in the Middle East, with a strong healthcare infrastructure and the highest per capita drug expenditure in the Middle East
- Strong patented drug market, largely as a result of the country's traditional wealth and preference for the latest medicines.
- Local manufacturing industry activity increasing notably over the past few years, with a strong focus on regional and global exports

### Opportunities

- Substantial investment in the healthcare sector, encouraging FDI
- Shake-up of the laws limiting foreign ownership is expected to boost investment
- Establishment of the common GCC market at the start of 2008 to boost pharmaceutical trade

### Weaknesses

- Although improving, domestic patent law is below international standards
- Small local manufacturing sector, focused on cheap, basic medicines
- Market reliant on imports, in particular at the hi-tech end of the scale

### Threats

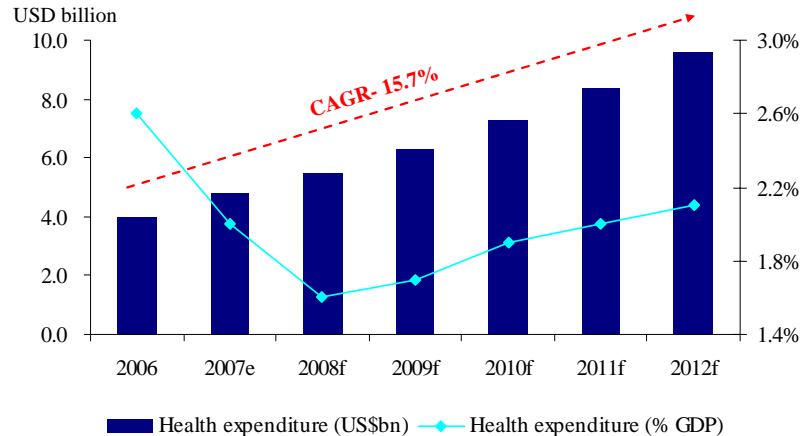
- Any drop in oil prices possibly to result in a reduction in government industry investment, which could slow pharmaceutical market growth
- Continued government resistance to aligning domestic patent law fully with international norms
- An expansion of government cost-containment measures – most notably the implementation of further price cuts – threatening to slow market development



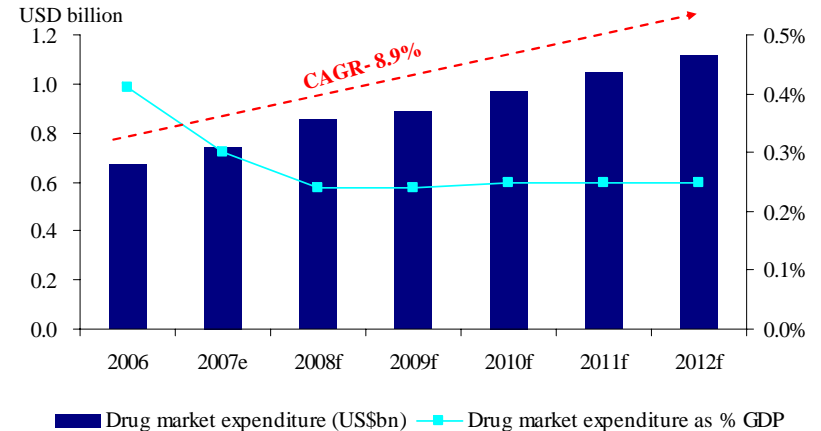
# UAE Healthcare & Pharmaceutical Industry

## Pharmaceutical Market Size

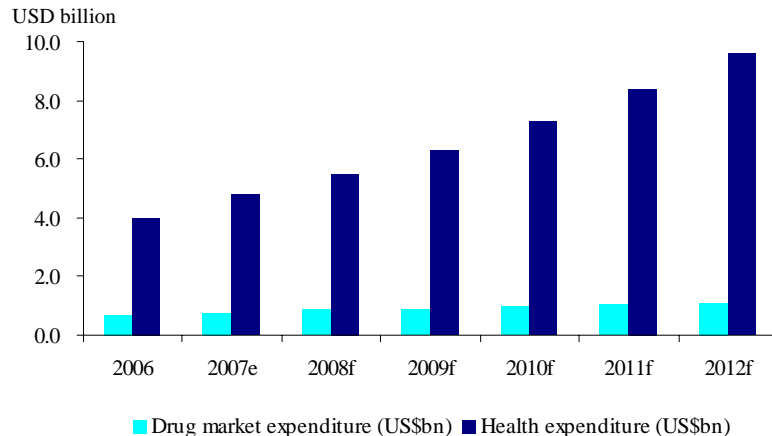
### Health Expenditure as % of GDP (2)



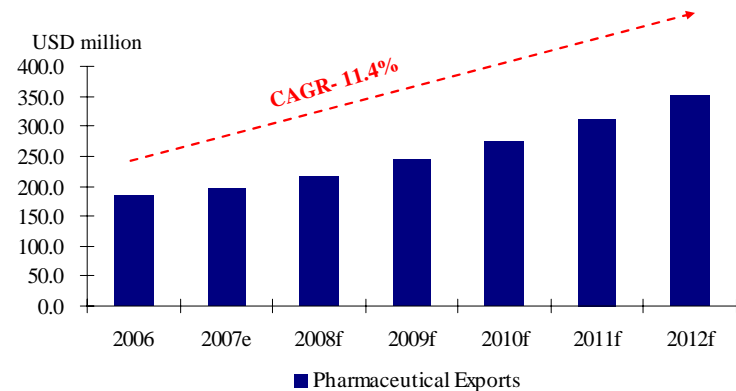
### Drug Market Trends (1)



### Health & Pharmaceutical Expenditure (2)



### Pharmaceutical Exports (3)



The UAE pharmaceutical sales will see continued growth with expansion of private healthcare and insurance accompanied with increasing imports due to lack of adequate local production base

(1) Source: BMI, WHO, Ministry of health; e/f = estimate/forecast.

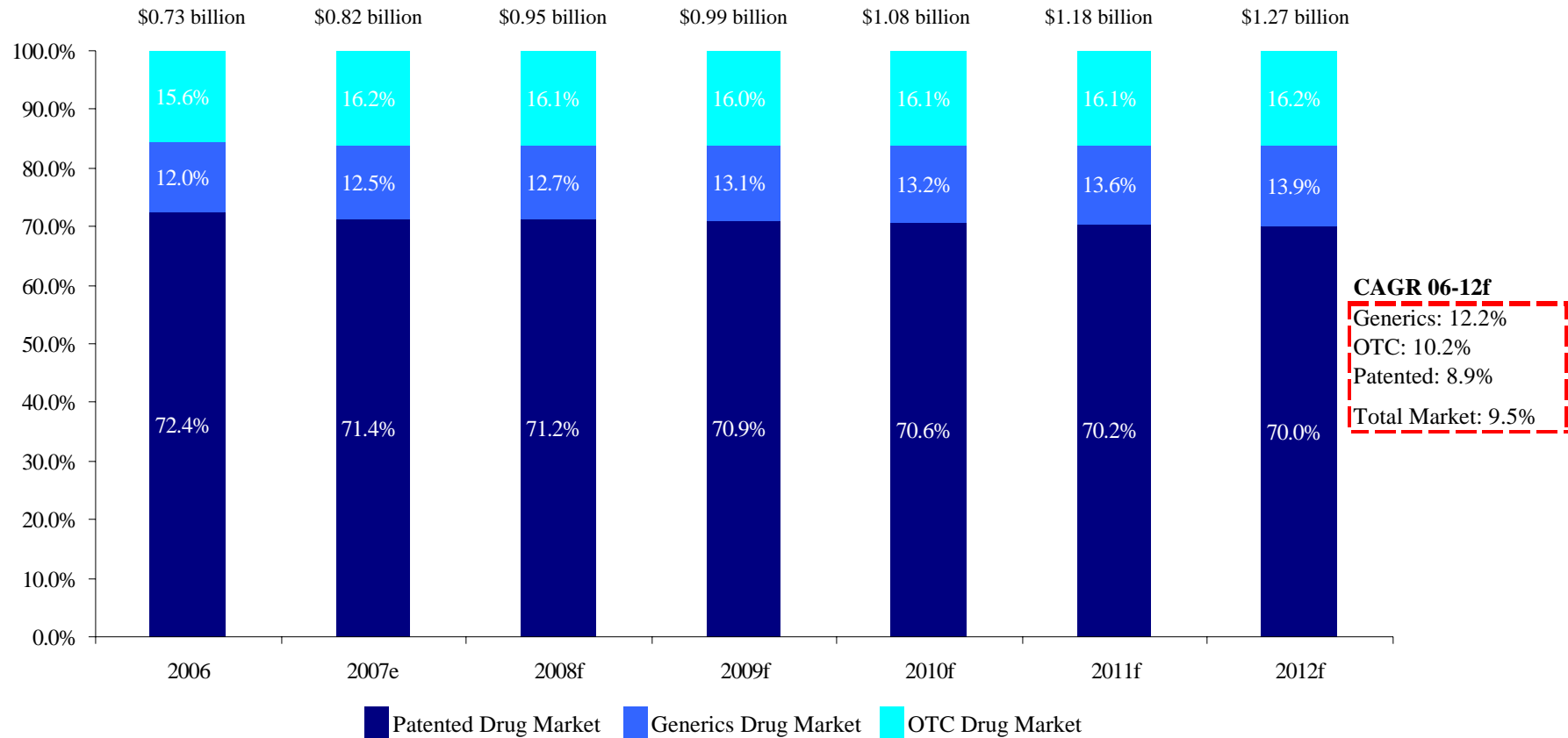
(2) Source: WHO, Dubai Chamber of Commerce, BMI; e/f = estimate/forecast

(3) Source: ITC, BMI; e/f = estimate/forecast

Note: Drug market expenditure = Pharmaceutical expenditure; and Health expenditure = overall healthcare industry in the country.

# UAE Healthcare & Pharmaceutical Industry

## Drug Market Classification <sup>(1)</sup>



**Demand for patented drugs to remain high stimulated by wealthy population and brand loyalty whereas generics share to grow in volume terms based on low cost**

(1) Source: BMI, WHO, Ministry of health; e/f = estimate/forecast.  
 Note: Prescription drug market includes Patented and Generics drug market.

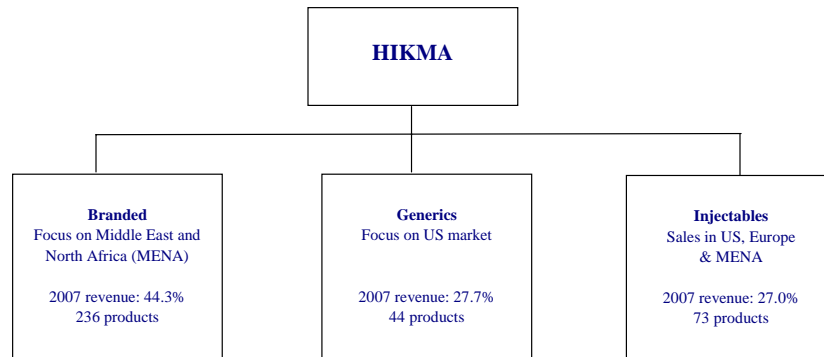
# Hikma Pharmaceuticals Plc



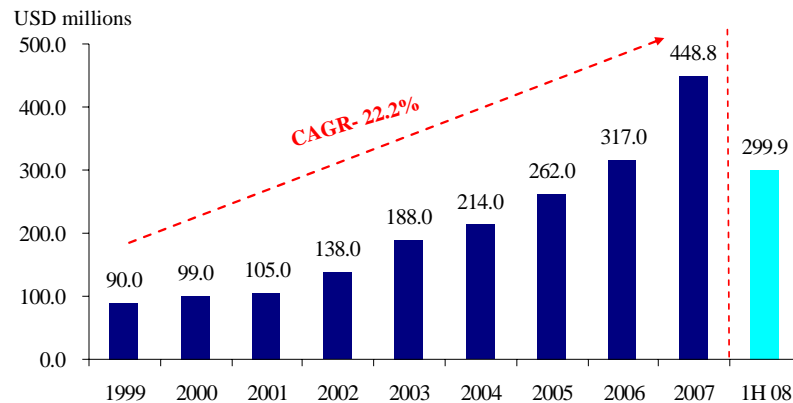
# Hikma Pharmaceuticals Plc

## Overview

### Product Mix



### Group Revenue



Source: Revenue breakup and Group revenue are taken from company filings..

(1) Options accounted for using Treasury Stock Method,

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

### Public Market Overview

Current Market Price as of 1/13/09	\$4.97
% of 52-Week High	59.8%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	193.698
<b>Equity Value</b>	<b>\$962.7</b>
Plus: Net Debt	205.0
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$1,173.9</b>
5-Year EPS Growth Rate	22.0%

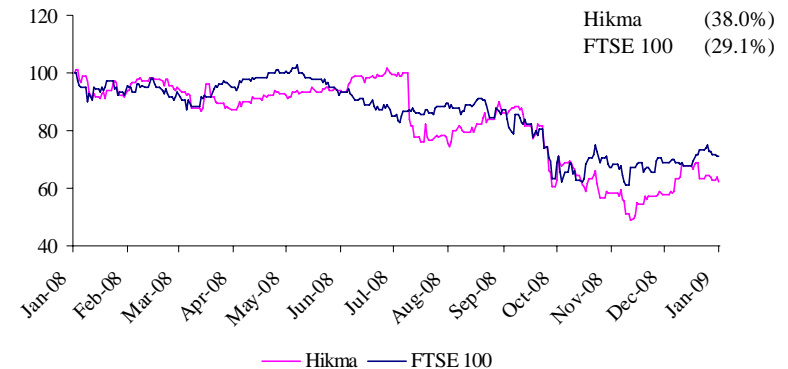
#### Trading Multiples

Period Ending	Enterprise Value /				
	Sales	EBITDA	EBIT	P/E	PEG
FY 2008	2.00x	10.2x	13.4x	15.7x	0.71x
FY 2009	1.74x	7.7x	9.6x	10.6x	0.48x
FY 2010	1.54x	6.4x	7.7x	8.1x	0.37x

Financial Results	Sales	EBITDA	EBIT	EPS
FY 2008	\$587.7	\$115.2	\$87.6	\$0.32
FY 2009	676.3	152.4	122.8	0.47
FY 2010	761.0	182.7	152.6	0.61

### 52 Week Relative Share Price Performance



# Hikma Pharmaceuticals Plc

## Business Strategy

### Improve Existing Markets

- Building leading position in MENA markets
- Restoring profitability in US Generic business

### Products Expansion

- Replicating the Branded business in new emerging markets

### New Markets

- Expanding Branded product portfolio, and enhanced sales and marketing structure
- Developing global specialty injectables business
- Growing the injectables overall product portfolio, and also expanding in key therapeutic areas

### Acquisitions

- Integrating acquisitions and pursuing further acquisitions
- Strategic investments in Active Pharmaceutical Ingredient (APIs) to support growth across all businesses

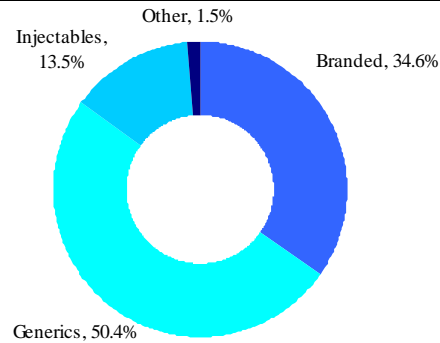
A long term growth strategy focused on diversification of products and markets

# Hikma Pharmaceuticals Plc

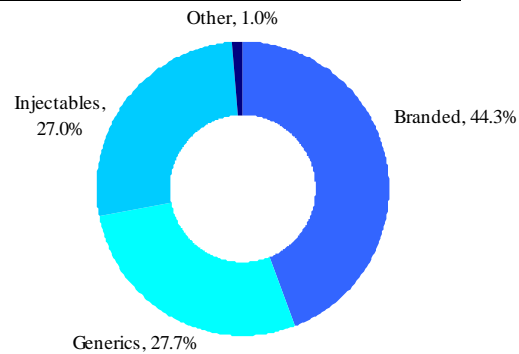
## Revenue

### Revenue by Business Segment

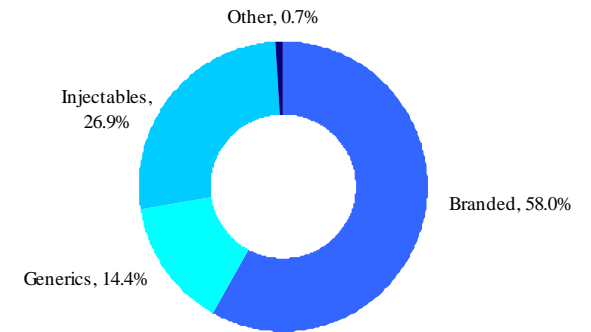
**2004 Revenue by Segment (\$214.0 million)**



**2007 Revenue by Segment (\$448.8 million)**

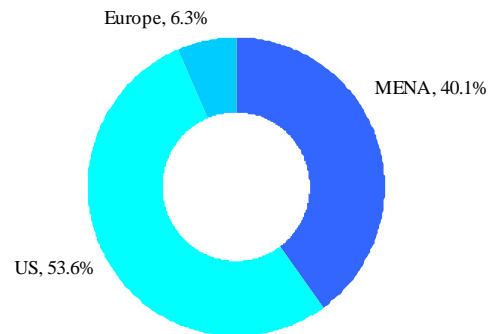


**H1 2008 Revenue by Segment (\$299.9 million)**

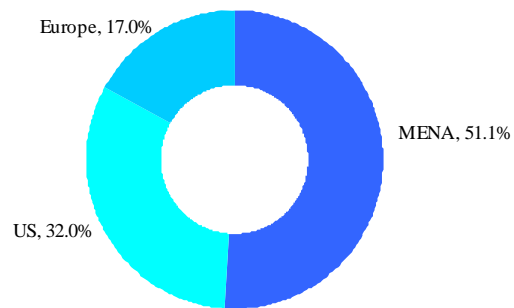


### Revenue by Region

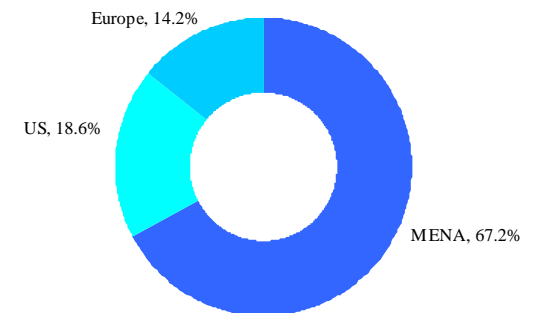
**2004 Revenue by Region**



**2007 Revenue by Region**



**H1 2008 Revenue by Region**



**Increasing focus on Branded drugs targeting MENA region**

# Hikma Pharmaceuticals Plc

## Overview

### Broad Geographic Coverage

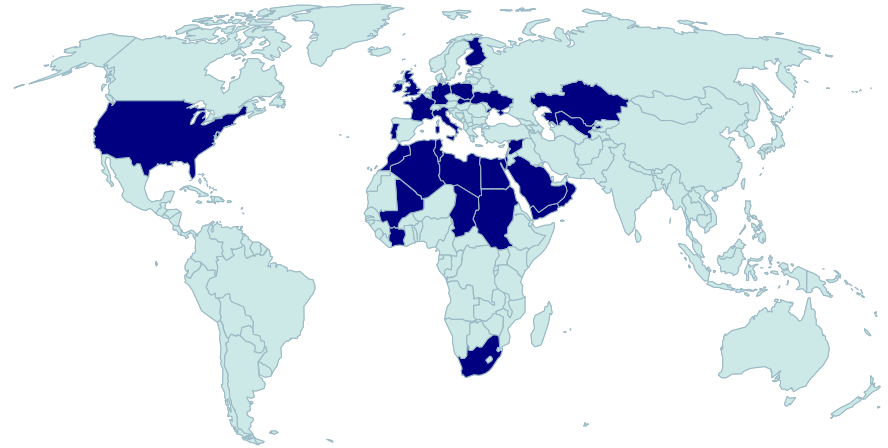
- There are 13 manufacturing facilities in 8 countries
- 5 facilities are FDA approved
- Hikma has sales in over 40 countries
- Cost-effective R&D and manufacturing is done in countries with low labour and infrastructure costs
- Hikma’s geographic spread reduces its risk profile
- Hikma has one of the largest sales forces in the MENA region – 1,200 sales and marketing staff

### Recent News

- **December 2008:** Hikma Enters Agreement with MonoSol Rx for thin film pharmaceutical products in the Middle East region. Under the agreement, Hikma has acquired an exclusive license to distribute in the Middle East 3 thin film pharmaceutical products based on MonoSol Rx’s proprietary pharma film delivery technology

Source: Company filings..

### Geographic Presence



### Sales and Marketing Staff in MENA region

Country	Sales and Marketing staff
Algeria	173
Tunisia	32
Libya	20
Egypt	298
Sundan	51
Jordan	233
Lebanon	46
Saudi Arabia	229
Gulf States	104
Yemen	30
Total	1200

# Hikma Pharmaceuticals Plc

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Samih Darwazah	Non-Executive Chairman
Said Darwazah	Chief Executive Officer
Mazen Darwazah	Vice-Chairman
<b>Management Team</b>	
Bassam Kanaan	Chief Financial Officer
Nabil Rizk	Chief Executive Officer - Generic Pharmaceuticals business
Taghreed Al-Shunnar	Corporate Vice President - Branded Pharmaceuticals, MENA
Majda Labadi	Vice-President of Injectables and General Manager

### Research Commentary

“Historically, Hikma has traded at a discount to the European generics peer group. Given its historical above-average margins, access to the MENA branded generics market and its in-built portfolio approach, this was unwarranted, in our view. Despite the disappointment of the US focused profit downgrade we still view Hikma stock as inexpensive, given its access to the MENA generics markets, its modest near term margin expectations (compared with the relatively significant (and unwarranted) improvements expected for other peers) and longer-term growth potential, which we consider to be underestimated”

– HSBC report dated 08/26/08

Source: Board of Directors from Company website; Ownership Structure from Reuters.

### Ownership Structure

Shareholders	%
Darhold Ltd	30.2%
Capital World Investors	5.4%
Capital Research Global Investors	3.6%
Genesis Investment Management, LLP	3.0%
JPMorgan Asset Management UK Ltd	2.9%
Legal & General Investment Management Ltd	2.7%
<b>Major Shareholders</b>	<b>47.8%</b>
Others	52.2%
<b>Total</b>	<b>100.0%</b>

### Recent Acquisitions

- **October 2007:** Hikma Pharmaceuticals Plc acquired Jordanian based, Arab Pharmaceutical Manufacturing Company (APM), for a cash consideration of \$163.6 million (JD116.0 million). The acquisition was done to strengthen Hikma’s position in its existing markets, particularly in Jordan and Saudi Arabia. The acquisition will enhance Hikma’s capabilities in Anti-infectives, Diabetes, Cardiovascular, and Oncology. Will also allow Hikma to sell new products into existing territories
- **August 2007:** Hikma Pharmaceuticals Plc acquired Alkan Pharma, an Egyptian pharmaceuticals company, for a cash consideration of \$60.5 million. The acquisition will extend Hikma’s reach into the Egyptian market





# Hikma Pharmaceuticals Plc

## Products Classification

Therapeutic Categories	Segments	Brand Name
Alimentary Tract & Metabolism	Branded	Malugel Peppermint B, Aquasal, Neurovitan, Ciptadine, Famotidine, Glibil, Glorion, Pectal, Glucare, Opracide/ Oprozole, Aloclair Syrup 100 ml Glass, Gelclair, Riabal Compound, Riabal, Rolan/ Ranimax, Sodium Bicarbonate, Bromhexine, and SST
	Generics	Belladonna Alkaloids W/Phenobarbital, Dicyclomine HCL, Folic Acid, and Glyburide
	Injectables	Oprozole, Ondansetron Injection, Setron/ Ondansetron, Setron, Pamidron, Riabal, and Rolan/Ranitidine Hikma
Anti-Infectives	Branded	Penamox/ Remox, Amoclan/ Megamox, Amoclan/ Amoxicillin Clavulanic Acid, Zomax, Biocef, Cedrox / Cefadroxil, Cedrox, Dicef, Lexin / Cephalexin, Lexin, Ciprolon / Ciprofloxacin, Klaxin, Rythinate, Flucand, Factive, Mycamine, and Sulprim
	Generics	Amoxicillian, Amoxicillin Clavulanic Acid, Cefadroxil, Cephalexin, Ciprofloxacin, Doxycycline Hyclate, Ethambutol HCL, Isoniazide, and Rifampin/Isoniazide
	Injectables	Miacin/ Amikacin Sulfate, Amoclan / Amoxicillin Clavulanic Acid, Amoclan, Zomax, Hikma Cefazolin/ Cefazolin Sodium, Cefazolin Sodium, Cefizox, Cefotaxime Sodium, Zoxin, Samixon/ Ceftriaxone Sodium, Samixon, Ceftriaxone Sodium, Maxil / Cefuroxime, Cefuroxime for Injection, Ciprolon/ Ciprofloxacin Lactate, Clindamycin Hikma, Flucand / Fluconazole, Piperacillin Hikma, Prograf, Targoplanin, and Vancomycin
Antineoplastics & Immunomodulating Agents	Branded	Leucostim, Prograf, and Protopic
	Injectables	Leucostim
Blood & Blood Forming Organs	Branded	Feral, and Feral Zinc
	Injectables	Hibor, and Hikma Heparin
Cardiovascular	Branded	Hypoten, Vastor, Tanatril / Iminopril, Cardipine, and Inopril
	Generics	Captopril, Chlorothiazide, Hydrochlorothiazide, Isosorbide Dinitrate, Isosorbide Mononitrate Extended-Release, Isosorbide Mononitrate, Lisinopril, and Lisinopril & Hctz
	Injectables	Amidrone

# Hikma Pharmaceuticals Plc

## Products Classification (cont'd)

Therapeutic Categories	Segments	Brand Name
Central Nervous System	Branded	Prazin, Poxidium, Paraxone, Romin, Penetrex, Evorex, Remofen/Nufen/Jazofen, Pramine, Duspamen, Fendol, Hikma Morphine, Nopain / Naproxen Sodium, Dolomol, Phenobarbital, Zofen, Solotik, Ridazine, and Parkizole/ Trihexyphenidyl HCL
	Generics	Butalbital, Acetaminophen & Caffeine & Codeine, Captopril, Ergotamine Tartarate and Caffeine, Flurazepam HCL, Lithium Carbonate Extended-Release, Lithium Carbonate, Naproxen, Phenobarbital, Propoxyphene HCL, and Trihexyphenidyl HCL
	Injectables	Diaxine, Bucaine, Fluxenate, Anestane, Floran, Tekam, Hikma Midazolam, Naxone/ Naloxone, Phentolep/ Phenytoin Sodium, Phenytoin Sodium, and Safol
Dermatologicals	Branded	Repaderm, Rectacure, Easyef, and Protopic
G.U. System & Sex Hormones	Branded	Cardox, Nidazole / Anazole, Aminor, and Cialis
Hormones	Branded	Ronalin, Promax, and Hydrosone
	Generics	Cortisone Acetate, Hydrocortisone, Prednisone, and Propylthiouracil
	Injectables	Betacort, Zenos, Epinephrine, Epinephrine Injection, Methohexital Sodium, Somatostatina, and Growtropin
Musculo-Skeletal	Branded	Purinol, Votrex Tissugel, Votrex/ Diclomax, Votrex Emulgel, Indomin, and Xefo
	Generics	Acetaminophen, Caffeine and Dihydrocodeine Bitartarate, Carisoprodol, Colchicine, Methocarbamol, and Phenylbutazone
	Injectables	Atacure, Atracurium Besylate, Votrex, and Alpax /Pancuronium Bromide
Parasitology	Generics	Chloroquine Phosphate
Respiratory	Branded	Mucotec, Totinal, Restamine / Loramax, and Trifed Plus Syr
	Generics	Aminophylline, Ephedrine Sulfate, Pseudoephedrine HCL, and West Decon M

# Hikma Pharmaceuticals Plc

## SWOT <sup>(1)</sup>

### Strengths

- Strong regional generic player
- Wide product portfolio including branded and unbranded generic pharmaceuticals and injectables
- Presence in the US and Europe
- Purchase of APM solidifies domestic and regional position

### Opportunities

- Expansion by organic growth as well as acquisitions
- Tightening of domestic patent law, due to WTO and US FTA obligations
- Rising regional and local demand for medicines, brought about by demographic, economic and regulatory changes

### Weaknesses

- Strong focus on generics with no patented drug research
- Increasing debt as a result of two years of acquisitions leaves little finance to integrate acquisitions or refresh product portfolio

### Threats

- Copiers continue to pose a threat
- Indian, Jordanian and Egyptian generic companies pose a threat
- Government resistance to reforming pricing regulations
- Strong price competition in the US

# Potential Targets

## Potential Acquisition Targets

Overview	Horitontal Acquisitions					Vertical Acquisition
	Hikma	EIPICO	Julphar	Dar Al Dawa	Midpharam	APHC
2007 Sales ( in million)	\$ 448.8	\$ 156.1	\$ 184.2	\$ 48.5	\$ 12.9	\$ 1.9
Employees	3,297	2,039	1,457	700	313	100
Strategy	Branded, Generics, and Injectables	Generics	Branded	Generics	Generics	NA
Manufacturing Presence	Hikma	EIPICO	Julphar	Dar Al Dawa	Midpharam	APHC
Algeria	✓	✓				
Egypt	✓	✓				
Jordan	✓			✓	✓	✓
Libya				✓		
Oman			✓			
Saudi Arabia	✓	✓				
UAE			✓			
Key Therapeutic Categories	Hikma	EIPICO	Julphar	Dar Al Dawa	Midpharam	APHC
Analgesics , Antipyretics and Antirheumatics		✓	✓	✓	✓	
Gastrointestinal Drugs		✓		✓		
Vitamins, & Nutritional Supplement		✓	✓	✓	✓	
Antidiabetics				✓	✓	
Anti-inflammatories & Analgesics		✓	✓	✓	✓	
Cardiovasculars	✓	✓		✓		
CNS products	✓	✓	✓	✓		
Dermatologicals	✓	✓		✓		
OTC products				✓		
Antihypertensives					✓	
Erectile Dysfunction Treatment					✓	
Anti-Anemic products					✓	
Gellatin Capsules						✓

# Potential Targets for Hikma Pharmaceuticals Plc

## M&A Strategy

### Key Benefits

#### Julphar

- Expansion of branded portfolio
- Access to new production sites and markets
- UAE is a large market for branded pharmaceuticals
- Strong sales network

#### Dar Al Dawa

- Expansion of branded generic portfolio
- Diversification into contract manufacturing

#### Midpharma

- Expansion of generic portfolio
- Increase in production capacity

#### EIPICO

- Expansion of generic portfolio in therapeutic areas not yet covered by Hikma
- Increase in generic production capacity

#### APHC

- Diversification into gelatin capsules
- Vertical integration of manufacturing activities

# **Gulf Pharmaceutical Industries PSC (Julphar)**



# Gulf Pharmaceutical Industries PSC (Julphar)

## Overview

### Business Overview

#### • Business Description

- Julphar is engaged in the manufacture of medicines, drugs and various other types of pharmaceutical, medical and cosmetic compounds
- Its product range includes analgesics, anti-malaria, anti-amoebic, antihistamines, cough and cold preparations, vitamins and steroids
- The Company has two wholly owned subsidiaries in UAE, Julphar Pharmacies, and Fujairah Medical Trading Company, as well as an Oman-based wholly owned subsidiary, Scientific Pharmacy
- Julphar is the largest pharmaceutical manufacturer of its scale and size in the UAE and is a key player in the region's pharmaceuticals industry

#### • Business Activities

- The companies core business is to manufacture and supply branded pharmaceutical products

• **Headquarters:** Ras Al Khaimah, United Arab Emirates

• **Employees:** 1,457

• The Company was incorporated in 1980

Source: Company Website, Zawya, and Google Finance; Employees data from Google finance.

(1) Options accounted for using Treasury Stock Method,

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

(4) ADSMI Index is UAE Stock Index

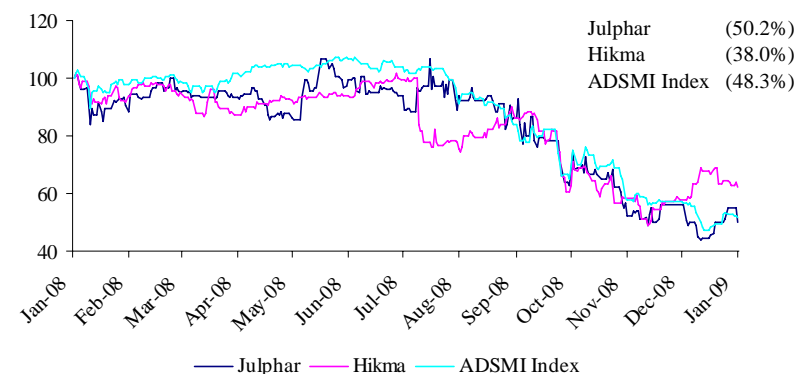
### Public Market Overview

Current Market Price as of 1/13/09	\$0.35
% of 52-Week High	45.0%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	641.042
<b>Equity Value</b>	<b>\$226.9</b>
Plus: Net Debt	39.9
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$266.9</b>
5-Year EPS Growth Rate	NA

#### Trading Multiples

Period Ending	Enterprise Value /				
	Sales	EBITDA	EBIT	P/E	PEG
FY 2008	1.40x	5.5x	6.9x	5.4x	NA
FY 2009	1.09x	4.1x	5.1x	4.1x	NA
FY 2010	0.87x	3.2x	3.8x	3.2x	NA
Financial Results	Sales	EBITDA	EBIT	EPS	
FY 2008	\$190.6	\$48.8	\$38.6	\$0.07	
FY 2009	244.1	65.0	52.6	0.09	
FY 2010	306.9	84.1	70.0	0.11	

### 52 Week Relative Share Price Performance





# Gulf Pharmaceutical Industries PSC (Julphar)

## Business Strategy and New projects

### Rapid Growth

- Julphar aims at becoming a billion Dirham company by 2010
- Julphar will have a total of 14 plants in the UAE following their 7 new plants to be set up at a total cost of AED 800 million
- In April 2008, the company's two new antibiotic manufacturing units (Julphar 8 and 9) set up with an investment of AED 30 million and a total capacity of 30 million units per year, started their first phase of production
- The following table details Julphar's expansion plans in the UAE

NEW INVESTMENTS		
	Activity	Investments
Plant VIII	Sterile powder filling plant (Cephalosporin)	AED 60 million
Plant IX	Sterile powder filling plant (Penicillin)	AED 60 million
Plant X	Semi solid plant	AED 50 million
Plant XI	Biotechnology raw materials (Human Insulin)	AED 260 million
Plant XII	Biotechnology filling plant	AED 100 million
Plant XIII	Herbal extraction plant (MEBO)	AED 170 million
Plant XIV	Multi purpose chemical plant	AED 100 million

### New Markets

- Julphar plans to establish 7 new manufacturing facilities outside the UAE in countries including Afghanistan, India, Morocco, Sudan, Lebanon, Yemen, and Iran, with plans to double the drug-manufacturing facilities over the next three years
- Julphar's plant in Afghanistan will become operational later this year, while those in Sudan and Morocco will be ready by 2009 and the projects in Yemen, Iran and Lebanon are expected to start operations by 2010
- Seeks to invest in Iraq, and set up a medical plant in Syria and eventually open a chain of 2,000 pharmacy outlets throughout the MENA region

### Diversified Business

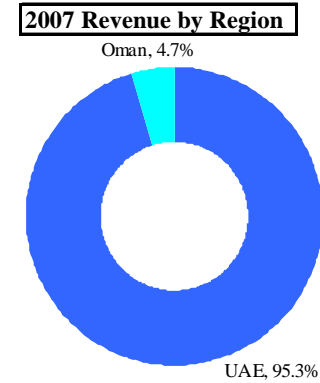
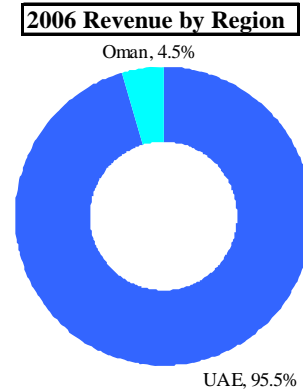
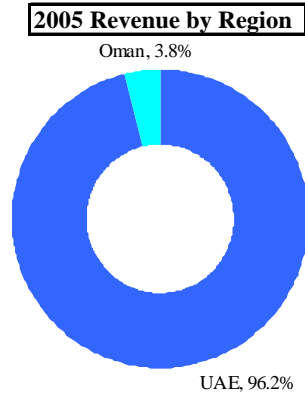
- On August 19, 2008, Julphar established MENA Cool Transportation Company - a land transport services firm with a capital of AED 25 million in the UAE
- Wholly owns Julphar Pharmacies, Fujairah Medical Trading Company, and Scientific Pharmacy

The company has an aggressive growth-oriented strategy focused on investing in new plants and expanding into new markets to increase its sales regionally and globally

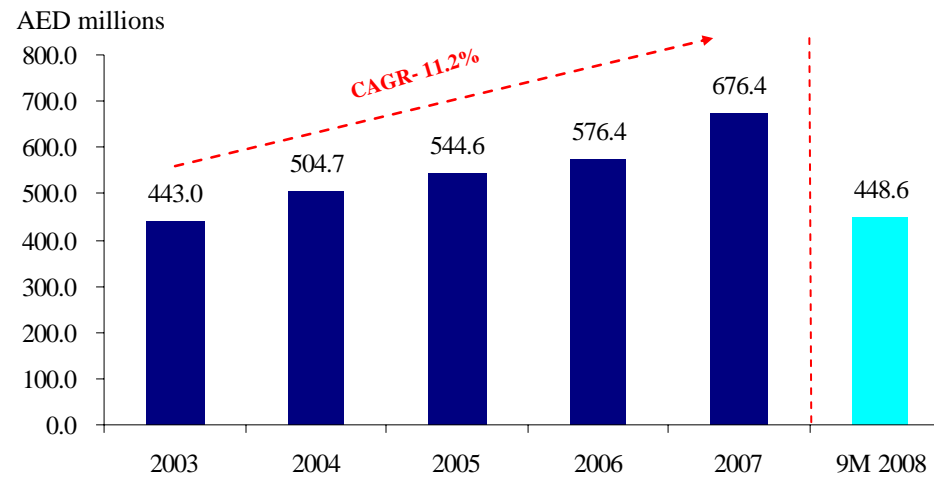
# Gulf Pharmaceutical Industries PSC (Julphar)

## Revenue

### Revenue by Region



### Group Revenue



# Gulf Pharmaceutical Industries PSC (Julphar)

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Faisal Bin Saqr Al Qasimi	Chairman
Hassan Ahmed Al Alkeem	Vice Chairman
Saqer Bin Humaid Al Qasemi	Director
Mohamed Mohamed Awad	Director
<b>Management Team</b>	
Ayman Ahmed Al Sahli	General Manager
G V G Krishna	Chief Finance Controller
Maher Abu Zeid Hassan Diab	Marketing Director
Gopi Krishna	Production Director

### Ownership Structure

Shareholders	%
Ruler of Ras Al-khaimah	10.6%
Arab Pharmaceutical Manufacturing Co	8.2%
Islamic Development Bank	6.7%
Al Hosany (Salem Abdullah Salem)	6.5%
Alqasmi (Faisal Bin Saqer Bin Mohammed)	5.3%
<b>Major Shareholders</b>	<b>37.2%</b>
Others	62.8%
<b>Total</b>	<b>100.0%</b>

### Research Commentary

“Julphar has been investing in new plants to double its drug manufacturing facilities over the next 3 years. For expansions outside UAE, Julphar will be relying on its local agents for support and this would assist them in terms of market research and greater penetration in these new countries. The stock has lost similar to the Abu Dhabi securities Exchange. We remain positive on Julphar’s stock considering its expansion plans and reiterate our overweight option on the stock”

–TAIB Research report dated 12/03/08

### Recent News

- July 2008: Gulf Pharmaceutical Industries announces resignation of its CEO Abdul Razzaq Yousef
- December 2007: Julphar and Global Investment House formed Planet Pharmacies LLC (Planet). Planet, a holding company established in Dubai, aims to become the largest healthcare products retailer in the MENA region through organic and inorganic growth strategies. The company was formed with a capital of AED 900 million and eventually to be increased to AED 3 billion and has Julphar and the private equity funds managed by Global as its founders having 40.0% and 60.0% shareholding respectively

# Gulf Pharmaceutical Industries PSC (Julphar)

## Products Classification

Therapeutic Categories	Segments	Brand Name
Cough and Cold Preparation	Branded	Adol Allergy Sinus, Adol Cold, Adol PM, Adol Sinus, Amydramine, Amydramine Paediatric, Codaphed, Codaphed Plus, Exedexe, Flukit, Mucolyte, Mucum, Orcinol, Profinal Cold & Sinus, Sedofan, and Soolan
	Generic	Paracetamol, Chlorpheniramine, Maleate, Pseudoephedrine HCl, Dextromethorphan, Diphenhydramine HCl, Ammonium Chloride, Sodium Citrate, Menthol, Ephedrine HCl, Chlorpheniramine Maleate, Codeine Phosphate, Dextromethorphan HBr, Promethazine HCl, Phenylephrine HCl, Salicylamide, Bromhexine HCl, Ambroxol HCl, Clobutinol HCl, Orciprenaline Sulphate, Ibuprofen, Pseudoephedrine HCl, Triprolidine HCl, Pseudoephedrine HCl, Glyceryl Guaiacolate, Chlorpheniramine Maleate, and Phenylephrine HCl
Vitamins, & Nutritional Supplement	Branded	3V, New Mixavit, Vit A, Vit D, Vit C, Vitamin B-Complex, Pyridoxin, Thiavit, Becovit, Calvitalis, and Ginsavit
	Generic	Vitamin A, Vitamin D, Vitamin B1, Vitamin B2, Vitamin B6, Vitamin B12, Vitamin C, Vitamin E, Vitamin B-Complex, Nicotinamide, Calcium Pantothenate, Multivitamin with Calcium, Ginseng, Multivitamins, and Minerals
Analgesic	Branded	Adol, Jusprin, Aspirin, and Profinal
	Generic	Paracetamol, Codeine Phosphate, Salicylamide, Caffeine, Ibuprofen, and Pyrilamine maleate
NSAID	Branded	Aceclofar, Clofen, Profinal Suspension & Tablets, and Rothacin
	Generic	Aceclofenac, Diclofenac Sodium, Diclofenac Diethylamine, Ibuprofen, and Indomethacin
Anthelminthic, & Antiarrhythmic	Branded	Albenda, and Amirone
	Generic	Albendazole, and Amiodarone
Topical Corticosteroid	Branded	Alfacort, Betasone Cream and Ointment, Gamavate, and Potencort
	Generic	Hydrocortisone, Betamethasone Valerate, Clobetasol Propionate, and Fluticasone Propionate
Antacid, Antiflatulent	Branded	Alkasid, and Moxal Plus
	Generic	Magnesium Aluminium Silicate, Simethicone, Aluminium Hydroxide, Magnesium Hydroxide, and Simethicone

## Gulf Pharmaceutical Industries PSC (Julphar)

### Products Classification (cont'd)

Therapeutic Categories	Segments	Brand Name
Antibacterial	Branded	Azomycin, Cefrin, Cefuzime, Clamycin, Duradox, Eromycin, Jenouquine, Julmentin, Julphacef, Julphamox, Julphapen, Lomax, Mikacin, Negacef, Oxytetracycline, Premosan, Recocef, Sarf, Silvadiazin 1%, Tetracycline, Triaxone (Enoxirt), Trimol, Uroxin, and Vancolon
	Generic	Azithromycin Dihydrate, Cephalexin Monohydrate, Cefuroxime Axetil, Clarithromycin, Doxycycline Hyclate, Erythromycin, Levofloxacin, Co-Amoxiclav, Cephadrine, Amoxicillin Trihydrate, Ampicillin Trihydrate, Amikacin Sulphate, Ceftazidime, Oxytetracycline, Cefotaxime, Cefaclor Monohydrate, Ciprofloxacin, Silver Sulfadiazine, Tetracycline, Ceftriaxone, Cotrimoxazole, Norfloxacin, Trimethoprim, and Vancomycin HCl
Bronchodilator	Branded	Atropulm, Butalin, and Theophar
	Generic	Ipratropium bromide, Salbutamol, and Theophylline
Antiepileptic	Branded	Fitzecalm, and Valopin
	Generic	Carbamazepine, and Sodium Valproate
Beta-Blocker & Calcium-Channel Blocker	Branded	Cardilol, Cardiopine, and Tensotin
	Generic	Propranolol HCl, Nifedipine, and Atenolol
Others	Branded	Antiprotin, Asmafort, B-Cool, Beclohale, and Captophar
	Generic	Bromocriptine Mesylate, Ketotifen Fumarate, Oxybuprocaine HCl, Cetylpyridinium Chloride, Tyrothricin, Beclomethasone Dipropionate, and Captopril

# Hikma Pharmaceuticals Plc Acquires Gulf Pharmaceutical Industries PSC

## 100% Stock

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$0.35	0.07x	\$226.9	\$266.9	\$0.36	35.7%	\$0.30	29.8%	\$0.29	29.0%	(\$32.9)	(\$40.2)	(\$51.1)	80.9%	27.7%	1.9x
10.0%	0.39	0.08x	249.6	289.6	0.33	33.2%	0.27	27.4%	0.27	26.5%	(31.1)	(37.6)	(47.7)	79.4%	27.1%	1.9x
20.0%	0.42	0.09x	272.3	312.3	0.31	30.7%	0.25	25.0%	0.24	24.2%	(29.4)	(35.0)	(44.3)	77.9%	26.6%	1.9x
30.0%	0.46	0.09x	295.0	335.0	0.28	28.4%	0.23	22.7%	0.22	21.9%	(27.6)	(32.4)	(40.9)	76.5%	26.1%	1.9x
40.0%	0.50	0.10x	317.7	357.7	0.26	26.1%	0.21	20.5%	0.20	19.7%	(25.8)	(29.8)	(37.5)	75.2%	25.7%	1.9x
50.0%	0.53	0.11x	340.4	380.4	0.24	23.9%	0.18	18.4%	0.18	17.6%	(24.1)	(27.2)	(34.1)	73.9%	25.2%	1.9x

## 50% Stock and 50% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$0.35	0.04x	\$226.9	\$266.9	\$0.43	43.3%	\$0.39	39.2%	\$0.39	39.3%	(\$36.1)	(\$47.7)	(\$62.5)	89.5%	37.7%	2.7x
10.0%	0.39	0.04x	249.6	289.6	0.41	41.2%	0.37	37.2%	0.37	37.4%	(34.6)	(45.8)	(60.2)	88.5%	37.9%	2.7x
20.0%	0.42	0.04x	272.3	312.3	0.39	39.0%	0.35	35.3%	0.36	35.7%	(33.2)	(44.0)	(58.0)	87.6%	38.1%	2.8x
30.0%	0.46	0.05x	295.0	335.0	0.37	37.0%	0.33	33.5%	0.34	33.9%	(31.8)	(42.1)	(55.7)	86.7%	38.4%	2.9x
40.0%	0.50	0.05x	317.7	357.7	0.35	35.0%	0.32	31.7%	0.32	32.2%	(30.3)	(40.2)	(53.5)	85.8%	38.6%	2.9x
50.0%	0.53	0.05x	340.4	380.4	0.33	33.0%	0.30	29.9%	0.31	30.5%	(28.9)	(38.4)	(51.2)	85.0%	38.8%	3.0x

## 100% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$0.35	0.00x	\$226.9	\$266.9	\$0.53	52.7%	\$0.51	50.7%	\$0.52	52.0%	(\$39.2)	(\$55.1)	(\$73.9)	100.0%	47.6%	3.4x
10.0%	0.39	0.00x	249.6	289.6	0.51	51.2%	0.50	49.7%	0.51	51.2%	(38.1)	(54.0)	(72.8)	100.0%	48.6%	3.5x
20.0%	0.42	0.00x	272.3	312.3	0.50	49.7%	0.49	48.7%	0.50	50.4%	(37.0)	(52.9)	(71.7)	100.0%	49.6%	3.6x
30.0%	0.46	0.00x	295.0	335.0	0.48	48.2%	0.48	47.6%	0.50	49.6%	(35.9)	(51.8)	(70.6)	100.0%	50.6%	3.8x
40.0%	0.50	0.00x	317.7	357.7	0.47	46.8%	0.47	46.6%	0.49	48.9%	(34.8)	(50.7)	(69.5)	100.0%	51.5%	3.9x
50.0%	0.53	0.00x	340.4	380.4	0.45	45.3%	0.46	45.6%	0.48	48.1%	(33.7)	(49.6)	(68.4)	100.0%	52.3%	4.1x

Note: Share price as of January 13, 2009.

Assumptions: Transaction expenses of \$20.0 million; Financing fees of 2.0%; No Synergies; Interest expenses of 4.5%, and Interest income of 3.0%; New Intangible Amortization is amortized over a period of 10 years and Financing Fees are amortized over a period of 7 years; FY ending Dec 31.

# **Dar Al Dawa Development and Investment Company**



# Dar Al Dawa Development and Investment Company

## Overview

### Business Overview

#### • Business Description

- Dar Al Dawa Development and Investment Company manufactures and distributes pharmaceutical products
- The Company operates throughout the Middle East, North Africa, the Arabian Gulf, sub-Saharan Africa, Europe, and the Far East
- The Company also manufactures patent drugs for international pharmaceutical players like Pfizer and Novartis as well as active raw ingredients for other drug manufacturers

#### • Business Activities

- Formulating and manufacturing of Dar Al Dawa's branded generics for global registration and marketing
- Formulating and manufacturing of non-patented generics for any third party along with complete registration files
- Marketing generic and ethical products of third parties in Dar Al Dawa's existing and new markets through cooperation agreements
- Alliance with third parties to enter into other economic markets

• **Headquarters:** Amman, Jordan

• **Employees:** 700

• The Company was incorporated in 1975

Source: Zawya, Google Finance, and Business week; Employees data from Google finance.

(1) Options accounted for using Treasury Stock Method.

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

(4) JOSMGNFF Index is Amman Se General Index of Jordan.

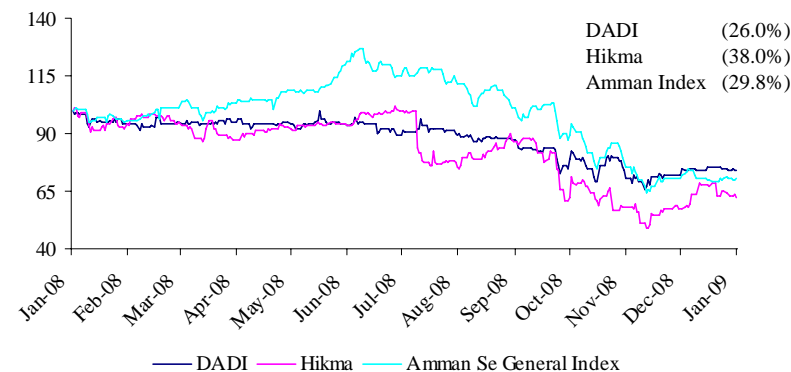
### Public Market Overview

Current Market Price as of 1/13/09	\$5.26
% of 52-Week High	71.2%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	20,000
<b>Equity Value</b>	<b>\$105.3</b>
Plus: Net Debt	4.7
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$110.4</b>
5-Year EPS Growth Rate	NA

#### Trading Multiples

Period Ending	Enterprise Value /				
	Sales	EBITDA	EBIT	P/E	PEG
FY 2008	2.17x	15.6x	19.2x	17.6x	NA
FY 2009	2.07x	13.5x	16.3x	15.4x	NA
FY 2010	1.97x	11.6x	13.7x	12.8x	NA
Financial Results	Sales	EBITDA	EBIT	EPS	
FY 2008	\$50.9	\$7.1	\$5.8	\$0.30	
FY 2009	53.5	8.2	6.8	0.34	
FY 2010	56.1	9.5	8.1	0.41	

### 52 Week Relative Share Price Performance





# Dar Al Dawa Development and Investment Company

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Abdel Rahim Jardaneh	Chairman and General Manager
Abu Jaber Ekhwan	Deputy Chairman
Osama Mohammed Murtada Yaish	Director
Ramzi Raouf Gergis Salfiti	Director
<b>Management Team</b>	
Hani Khaled Mahmoud Bushnaq	Assistant General Manager - Financial Affairs
Aouni Mohammed Al Basheer	Assistant General Manager
Hussam A. Mohammed	Chief Marketing Officer

### Ownership Structure

Shareholders	%
Ruler of Jordan	5.9%
Nahda Financial Investment Company	4.9%
Abdul Rahim Jardaneh & Sons Company	4.8%
Jarab (Akram Abdul Latif Hassan)	3.4%
Abu Jabir & Brothers Company	3.3%
Al Qadoumi (Saad Hani Jameel)	3.3%
<b>Major Shareholders</b>	<b>15.5%</b>
Others	84.5%
<b>Total</b>	<b>100.0%</b>

# Dar Al Dawa Development and Investment Company

## Products Classification

Therapeutic Categories	Brand Name
Anti-infectives	Cephadar, Amoxydar, Ciprodar, Claridar, Clavodar, Cloracef, Cycloherp, Doxydar, Erythrodar, Flucoheal, Froxime, Ketodar, Lincodar, Mycoheal, Nalidix, Penclodar, Roxamed, Tetradar, Trimidar, Trimidar-M, Trimidar, and Vikadar
Antidiabetics	Sucranase, and Sucrazide
Antihemorrhoidals	Proctoheal Ointment, and Proctoheal Suppositories
Antihistamines	Astizol, Loratan, and Loratan Syrup
Anti-inflammatories & analgesics	Ibugesic, Diclogesic, Indogesic, Miloxam, Nabugesic, Nefogesic, and Pamol
Cardiovasculars	Capocard, Amuretic, Dilzacard, Enacard, Isocard, Lisocard, Lipodar, and Nifecard,
CNS products	Anxetin, Carbatol, and Oxcarbatol
Dermatologicals	Dermesone Cream, Dermesone Skin Ointment, Hairgrow Solution, Neobacin Skin Ointment, and Smooderm Cream
Gastrointestinals	Cimedine, Domperide, Famodar, Laxodad, Omedar, and Pantodar
Nutritional supplements	Geriaton Forte Soft Gelatin Capsules
Ophthalmologicals, otologicals, nasals	Dadcrome, Ciprodar, Dadcrome, Diclogesic, Gentadar, Nazolin, Ophtamesone, Ophtamolol, Ophtamycin, Ophtapred, Ophtazolin, and Otogesic
Respiratory products	Ambolar Syrup, Broncholar Cough Mixture, Broncholar Forte Cough Mixture, Pectolyn Antitussive Syrup, Pectolyn Decongestant Syrup, Pectolyn Expectorant Syrup, Pectolyn Pediatric Syrup, and Rectolyn Suppositories
Vitamins & minerals	Vitadad-B Forte FC
Miscellaneous	Aphrodil, Clomifert, Dad Mouth Wash, Dad Teething Gel, and Dar Al Dawa Baby Gripe
Products produced under license	Benylin Expectorant, Benylin Pediatric, Ponstan, Ponstan Forte
Products packed under license	Tegretol, Anafranil, Voltaren, and Parlodel
OTC products	New Vitadad Super Soft Gelatin, Rectolyn Suppositories, Geriaton Forte Soft Gelatin, Proctoheal Ointment, Famodar ABR, Proctoheal Suppositories, and Hairgrow

# Hikma Pharmaceuticals Plc Acquires Dar Al Dawa

## 100% Stock

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$5.26	1.06x	\$105.3	\$110.0	(\$0.02)	(2.2%)	(\$0.04)	(3.7%)	(\$0.04)	(4.2%)	\$1.8	\$4.5	\$6.7	90.1%	26.3%	2.1x
10.0%	5.79	1.17x	115.8	120.6	(0.03)	(3.1%)	(0.05)	(4.7%)	(0.05)	(5.2%)	2.6	5.7	8.3	89.3%	26.0%	2.1x
20.0%	6.32	1.27x	126.4	131.1	(0.04)	(4.1%)	(0.06)	(5.6%)	(0.06)	(6.1%)	3.4	6.9	9.8	88.4%	25.7%	2.1x
30.0%	6.84	1.38x	136.9	141.6	(0.05)	(5.0%)	(0.07)	(6.5%)	(0.07)	(7.0%)	4.2	8.1	11.4	87.6%	25.4%	2.1x
40.0%	7.37	1.48x	147.4	152.1	(0.06)	(5.9%)	(0.07)	(7.4%)	(0.08)	(7.9%)	5.0	9.3	13.0	86.7%	25.2%	2.1x
50.0%	7.90	1.59x	157.9	162.7	(0.07)	(6.8%)	(0.08)	(8.3%)	(0.09)	(8.8%)	5.9	10.6	14.6	85.9%	24.9%	2.1x

## 50% Stock and 50% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$5.26	0.53x	\$105.3	\$110.0	(\$0.00)	(0.4%)	(\$0.01)	(0.9%)	(\$0.01)	(0.9%)	\$0.3	\$1.0	\$1.4	94.8%	31.8%	2.5x
10.0%	5.79	0.58x	115.8	120.6	(0.01)	(1.2%)	(0.02)	(1.6%)	(0.02)	(1.6%)	0.9	1.9	2.4	94.3%	32.0%	2.6x
20.0%	6.32	0.64x	126.4	131.1	(0.02)	(2.0%)	(0.02)	(2.4%)	(0.02)	(2.3%)	1.6	2.8	3.5	93.8%	32.2%	2.6x
30.0%	6.84	0.69x	136.9	141.6	(0.03)	(2.9%)	(0.03)	(3.1%)	(0.03)	(3.0%)	2.3	3.6	4.5	93.4%	32.4%	2.6x
40.0%	7.37	0.74x	147.4	152.1	(0.04)	(3.7%)	(0.04)	(3.8%)	(0.04)	(3.6%)	2.9	4.5	5.5	92.9%	32.6%	2.7x
50.0%	7.90	0.79x	157.9	162.7	(0.04)	(4.5%)	(0.05)	(4.5%)	(0.04)	(4.3%)	3.6	5.3	6.6	92.4%	32.8%	2.7x

## 100% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$5.26	0.00x	\$105.3	\$110.0	\$0.02	1.6%	\$0.02	2.2%	\$0.03	2.8%	(\$1.2)	(\$2.4)	(\$4.0)	100.0%	37.3%	3.0x
10.0%	5.79	0.00x	115.8	120.6	0.01	0.9%	0.02	1.8%	0.02	2.4%	(0.7)	(1.9)	(3.4)	100.0%	38.0%	3.0x
20.0%	6.32	0.00x	126.4	131.1	0.00	0.3%	0.01	1.3%	0.02	2.1%	(0.2)	(1.4)	(2.9)	100.0%	38.7%	3.1x
30.0%	6.84	0.00x	136.9	141.6	(0.00)	(0.4%)	0.01	0.8%	0.02	1.7%	0.3	(0.9)	(2.4)	100.0%	39.3%	3.2x
40.0%	7.37	0.00x	147.4	152.1	(0.01)	(1.1%)	0.00	0.4%	0.01	1.3%	0.8	(0.4)	(1.9)	100.0%	40.0%	3.3x
50.0%	7.90	0.00x	157.9	162.7	(0.02)	(1.8%)	(0.00)	(0.1%)	0.01	1.0%	1.3	0.1	(1.4)	100.0%	40.6%	3.4x

Note: Share price as of January 13, 2009.

Assumptions: Transaction expenses of \$20.0 million; Financing fees of 2.0%; No Synergies; Interest expenses of 4.5%, and Interest income of 3.0%; New Intangible Amortization is amortized over a period of 10 years and Financing Fees are amortized over a period of 7 years; FY ending Dec 31.

# Middle East Pharmaceutical and Chemical Industries Company (Midpharma)



# Middle East Pharmaceutical and Chemical Industries Company (Midpharma)

## Overview

### Business Overview

- **Business Description**

- Midpharma is engaged in the production and distribution of pharmaceuticals, medical compounds, and chemical products
- The Company establishes and operates medical research centers

- **Business Activities**

- The company principle activity is manufacturing of generic drugs
- Products include dermatological, local analgesics, topical nasal decongestant, topical anti-hemorrhoid, gynecological anti-infective, and laxative medicines

- **Headquarters:** Amman, Jordan

- **Employees:** 313

- The Company was incorporated in 1993

Source: Zawya, Google Finance, and Business week; Employees data from Google finance.

(1) Options accounted for using Treasury Stock Method,

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

(4) JOSMGNFF Index is Amman Se General Index of Jordan.

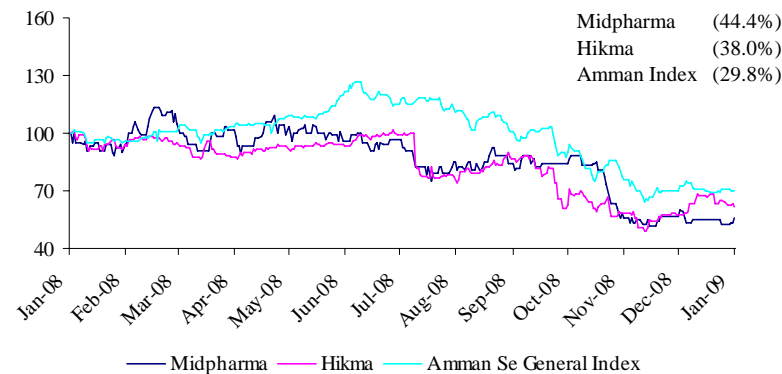
### Public Market Overview

Current Market Price as of 1/13/09	\$2.69
% of 52-Week High	48.5%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	9,869
<b>Equity Value</b>	<b>\$26.5</b>
Plus: Net Debt	12.5
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$39.1</b>
5-Year EPS Growth Rate	NA

#### Trading Multiples

Period Ending	Enterprise Value /			P/E	PEG
	Sales	EBITDA	EBIT		
FY 2008	2.94x	20.2x	40.9x	NA	NA
FY 2009	2.70x	18.5x	32.8x	NA	NA
FY 2010	2.51x	18.4x	26.9x	31.0x	NA
Financial Results	Sales	EBITDA	EBIT	EPS	
FY 2008	\$13.3	\$1.9	\$1.0	\$0.03	
FY 2009	14.5	2.1	1.2	0.05	
FY 2010	15.6	2.1	1.5	0.09	

### 52 Week Share Price Performance



# Middle East Pharmaceutical and Chemical Industries Company (Midpharma)

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Mazen Hamzah Ahmad Tantash	Chairman, and CEO
Jamil Abdul Fattah Jaber Gebran	Vice Chairman
Khalil Anis Khalil Nasr	Director
Khalil Saleh Azouka	Director
<b>Management Team</b>	
Akram Yusef Ibrahim Shreim	Chief Operating and Planning Officer
Mahmoud Ahmed Mahmoud Duwaib	Chief Marketing Officer
Mahmoud Ibrahim Zaher Hussein	Finance and Administration Manager
Tarek Ayesh	Information Technology Manager

### Ownership Structure

Shareholders	%
Tantash Group	61.3%
Arab Center for Pharmaceuticals and Chemicals Industries Co	11.7%
Al-Dahla Khalid	7.9%
Ideal Trade & Investment	1.4%
<b>Major Shareholders</b>	<b>82.3%</b>
Others	17.8%
<b>Total</b>	<b>100.0%</b>

# Middle East Pharmaceutical and Chemical Industries Company (Midpharma)

## Products Classification

Therapeutic Categories	Brand Name
Antibiotics	Midaflex, Cipromid, Midocef, Doxymid, Betixim, and Midroxil
Antihypertensives	Hypodipine, Midopril, and Lapril
Antidiabetics	Diamid, and Glucana
Anti-Ulcerants	Lansomid, and Acifam
Antifungals	Fungimid
Hypolipidimics	Lipomid
Analgesics / Antipyretics	Midofen, Midrone Extra, Midrone Forte, and Nalgofen
Multivitamins & Minerals Suppliments	Ferrovita, and Vitamid
Alpha - Blockers	Alphapress
Erectile Dysfunction Treatment	Vonta
Anti-Anemic products	Epokine

# Hikma Pharmaceuticals Plc Acquires Middle East Pharmaceutical

## 100% Stock

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$1.94	0.39x	\$19.1	\$31.7	(\$0.03)	(2.7%)	(\$0.02)	(2.3%)	(\$0.02)	(1.9%)	\$2.1	\$2.5	\$2.7	98.1%	29.3%	2.2x
10.0%	2.13	0.43x	21.1	33.6	(0.03)	(2.9%)	(0.02)	(2.5%)	(0.02)	(2.1%)	2.2	2.7	3.0	97.9%	29.3%	2.2x
20.0%	2.33	0.47x	23.0	35.5	(0.03)	(3.1%)	(0.03)	(2.7%)	(0.02)	(2.3%)	2.4	3.0	3.3	97.7%	29.2%	2.2x
30.0%	2.52	0.51x	24.9	37.4	(0.03)	(3.3%)	(0.03)	(2.9%)	(0.02)	(2.5%)	2.5	3.2	3.6	97.5%	29.2%	2.2x
40.0%	2.72	0.55x	26.8	39.4	(0.03)	(3.5%)	(0.03)	(3.0%)	(0.03)	(2.7%)	2.7	3.4	3.9	97.3%	29.1%	2.2x
50.0%	2.91	0.59x	28.7	41.3	(0.04)	(3.7%)	(0.03)	(3.2%)	(0.03)	(2.8%)	2.8	3.6	4.2	97.1%	29.0%	2.2x

## 50% Stock and 50% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$1.94	0.20x	\$19.1	\$31.7	(\$0.02)	(2.4%)	(\$0.02)	(1.7%)	(\$0.01)	(1.2%)	\$1.8	\$1.9	\$1.8	99.0%	30.4%	2.3x
10.0%	2.13	0.21x	21.1	33.6	(0.03)	(2.6%)	(0.02)	(1.9%)	(0.01)	(1.4%)	1.9	2.1	2.0	98.9%	30.5%	2.3x
20.0%	2.33	0.23x	23.0	35.5	(0.03)	(2.7%)	(0.02)	(2.0%)	(0.02)	(1.5%)	2.1	2.2	2.2	98.8%	30.5%	2.3x
30.0%	2.52	0.25x	24.9	37.4	(0.03)	(2.9%)	(0.02)	(2.2%)	(0.02)	(1.6%)	2.2	2.4	2.4	98.7%	30.6%	2.3x
40.0%	2.72	0.27x	26.8	39.4	(0.03)	(3.1%)	(0.02)	(2.3%)	(0.02)	(1.8%)	2.3	2.5	2.5	98.6%	30.6%	2.3x
50.0%	2.91	0.29x	28.7	41.3	(0.03)	(3.2%)	(0.02)	(2.4%)	(0.02)	(1.9%)	2.4	2.7	2.7	98.5%	30.7%	2.3x

## 100% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma Ownership	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E		Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$1.94	0.00x	\$19.1	\$31.7	(\$0.02)	(2.1%)	(\$0.01)	(1.2%)	(\$0.01)	(0.6%)	\$1.6	\$1.3	\$0.8	100.0%	31.6%	2.4x
10.0%	2.13	0.00x	21.1	33.6	(0.02)	(2.2%)	(0.01)	(1.3%)	(0.01)	(0.7%)	1.7	1.4	0.9	100.0%	31.7%	2.4x
20.0%	2.33	0.00x	23.0	35.5	(0.02)	(2.4%)	(0.01)	(1.4%)	(0.01)	(0.7%)	1.8	1.5	1.0	100.0%	31.9%	2.4x
30.0%	2.52	0.00x	24.9	37.4	(0.02)	(2.5%)	(0.01)	(1.5%)	(0.01)	(0.8%)	1.8	1.6	1.1	100.0%	32.0%	2.4x
40.0%	2.72	0.00x	26.8	39.4	(0.03)	(2.6%)	(0.02)	(1.5%)	(0.01)	(0.9%)	1.9	1.7	1.2	100.0%	32.1%	2.5x
50.0%	2.91	0.00x	28.7	41.3	(0.03)	(2.7%)	(0.02)	(1.6%)	(0.01)	(0.9%)	2.0	1.8	1.3	100.0%	32.3%	2.5x

Note: Share price as of January 13, 2009.

Assumptions: Transaction expenses of \$20.0 million; Financing fees of 2.0%; No Synergies; Interest expenses of 4.5%, and Interest income of 3.0%; New Intangible Amortization is amortized over a period of 10 years and Financing Fees are amortized over a period of 7 years; FY ending Dec 31.



# **Egyptian International Pharmaceutical Industries Company (EIPICO)**



# Egyptian International Pharmaceutical Industries Company (EIPICO)

## Overview

### Business Overview

#### • Business Description

- EIPICO is a manufacturer and exporter of pharmaceuticals
- The Company exports its products to the Middle East, Africa, Asia, and Europe
- EIPICO's subsidiary, EIPICO Tech Pharmaceutical Company, specializes in producing veterinary, generic chemical medicine, cosmetics, special foods, and pesticides

#### • Business Activities

- The company produces generic and under-license medicines with an emphasis on generics

#### • Headquarters: Ramadan, Egypt

#### • Employees: 2,039

#### • The Company was incorporated in 1980

Source: Zawya, Google Finance, and Business week; Employees data from Google finance.

(1) Options accounted for using Treasury Stock Method.

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

(4) HERMES Index is Egyptian Stock Index.

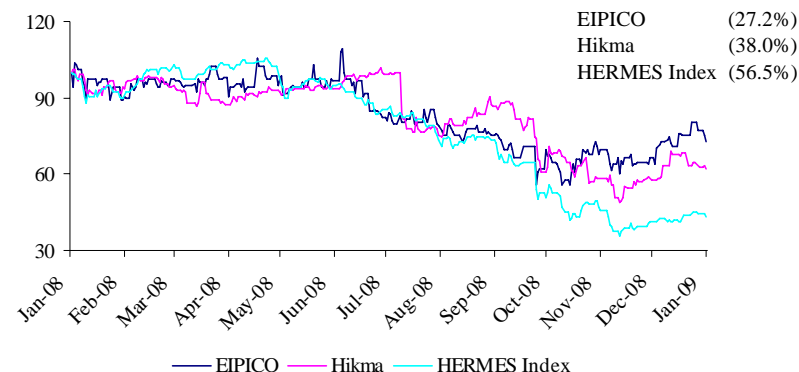
### Public Market Overview

Current Market Price as of 1/13/09	\$4.96
% of 52-Week High	66.0%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	72.124
<b>Equity Value</b>	<b>\$357.7</b>
Plus: Net Debt	(72.2)
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$285.5</b>
5-Year EPS Growth Rate	16.1%

#### Trading Multiples

Period Ending	Enterprise Value /				
	Sales	EBITDA	EBIT	P/E	PEG
FY 2008	1.69x	3.9x	4.5x	7.6x	0.47x
FY 2009	1.54x	3.5x	4.1x	6.8x	0.42x
FY 2010	1.38x	3.2x	3.7x	6.0x	0.37x
Financial Results	Sales	EBITDA	EBIT	EPS	
FY 2008	\$169.0	\$73.5	\$63.5	\$0.65	
FY 2009	184.9	80.6	70.0	0.73	
FY 2010	206.2	89.7	78.0	0.82	

### 52 Week Relative Share Price Performance



# Egyptian International Pharmaceutical Industries Company (EIPICO)

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Dr Ahmad Borhaneddine Ismail	Chairman
Mohammed Housni Hilal	Director
Dr Hamdy Al Sayed	Director
Dr Mohammed Farouk Ismat	Director
<b>Management Team</b>	
Ali Ragheb	Finance and Economic Director
Dr Ousama Kamel Ahmad Rostom	Marketing Director
Sayed Saber	Production Director
Dr Omar Al Ahmadi Mohammed Issawi	Research, Development and Quality Director

### Ownership Structure

Shareholders	%
Arab Company for Drug Industries & Medical Appliances (ACDIMA)	43.1%
Medical Union Investment	5.6%
Banks & Insurance Companies	0.4%
<b>Major Shareholders</b>	<b>49.1%</b>
Others	50.9%
<b>Total</b>	<b>100.0%</b>

# Egyptian International Pharmaceutical Industries Company (EIPICO)

## Products Classification

Therapeutic Categories	Sub - Categories	Brand Name
Anaesthetics	General Anaesthetics	Thiopental, and Ketam
Analgesics , Antipyretics and Antirheumatics	Analgesics Antipyretics	Cetal
	Analgesics For Persistent Pain	Nefopam
	Analgesics Antirheumatics	Epifenac, Ibuprofen, Indomethacin, Epicotil, and Rhuma-Cure
	Anti-Catarrhals	Conta-Flu, and Balkis
	Gout Treatment	No-Uric
Anthelmintics and Schistosomicides	N.A.	Alzental, Flubed, Levamisole, Permax, Distocide, and Distocide
Antibiotics and Other Anti-Infective Drugs	Penicillins and Penicillin Combinations	Epicocillin, E-Mox, E-Moxclav, and Flumox
	Cephalosporins	Cephradine, Cefotax, Cefozon, and Epicephin
	Aminoglycosides	Amikacin, Epigent, and Tobrin
	Quinolone Derivatives	Epinor, and Ciprocin
	Sulphonamides and Trimethoprim	Epitrim
Antidysentrics and Enterostatics	Antifungal Drugs	Nystatin, and Treflucan
	N.A.	Salazo, Kapect Suspension, Kapect Compound Suspension, Metronidazole, Furazol Tab, and Furazol Pediatric Suspension
Antihistaminics	N.A.	Allergex Tab, Allergex Caffeine Tab, Chlorpheniramine Maleate Syrup, and Epirizine Tab
Antimalarial Drugs	N.A.	Chloroquine, and Malacure Tab
Blood Substitutes and Restoratives	N.A.	Calcium Chloride, Magnesium Sulphate Inj, and Potassium Chloride
Antidote for Heparin	N.A.	Protam Injection

## Egyptian International Pharmaceutical Industries Company (EIPICO)

### Products Classification (cont'd)

Therapeutic Categories	Sub - Categories	Brand Name
Cardiacs and Vascularetics	Antihypertensive Drugs	Ateno, Prolol, Capotril, Enalap, Epidopa, Epitens Tab, and Epilactazide Tab
	Coronary Vasodilators	Isosorbide, Diltiazem, Epilat, and Epilat Retard Tab
	Lipid Regulating Agents	Epibeza Tab, and Ator Tab
	Sclerosing Agents	Ethanolamine Oleate Amp
	Vasodilators	Epicol Retard Tab.
	Peripheral Ant-Adrenergic Agents	Dosine Tab
Cathartics (Laxatives)	Osmotic Laxatives	Epico Eff. Salt, Lactulosesyrup, Laxomag Suspension, and Laxofin Suspension
	Stimulant Laxatives	Picolax Drops
Cholinergic Muscle Stimulants	N.A.	Epistigmin
C.N.S. - Acting Drugs	Sedatives and Hypnotics	Phenobarbitone
	Antiepileptics and Anticonvulsants	Epitoin, and Clopam
	Anxiolytic Sedatives	Epival, and Bropam
	Antidepressants	Trittico, and Flutin Cap
Dermatologicals	Steroid Preparations	Nystaform Oint
	Protective and Soothing Preparations	Camisan
	Analgesics Anti-Inflammatory	Tantum, and Ibutop Gel
	Local Antihistaminics	Allergex Cream
	Topical Steroids	Betaderm
	Wound Dressings	Gelisica Sachet
Endocrine System Drugs	Glucocorticoids	Epidron, Epizolone Depot, Hydrocortisone Vial, and Prednisolone
	Oral Hypoglycemics	Oral Hypoglycemics, and Epizide Tab
Gastrointestinal Drugs	Antiacids	Epicogel Suspension, and Mucogel Suspension
	Anti-Emetics	Emeral, and Gastromotil Susp
	Ulcer Healing Drugs	Gastrofait, Epirazole Cap, Ranitidine, and Cimetidine
	Upset Stomach	Epinos

# Egyptian International Pharmaceutical Industries Company (EIPICO)

## Products Classification (cont'd)

Therapeutic Categories	Sub - Categories	Brand Name
Ophthalmics	Local Anaesthetics	Benox
	Anti-Infective Preparations	Neo Eye Drops, Neo-Pol Eye Drops, Neo-Myxidine Eye & Ear Drops, Tobrin, Isocet, Ciprocil, Epiphenicol Eye Ointment, Rifamycin Eye Ointment, Oxy-Pol Eye Ointment, Optigent Eye Ointment, Gentamycin E/E D, Neo Polybacin Eye Ointment, and Neobacin Eye Ointment
	Decongestant and Antihistaminic	Nostamine Eye / Nose Drops
	Antiallergic	Epicrom
	Steroids	Epidixone Eye/Ear Drops, and Dexamethasone Eye Drops
	Steroids and Anti-Infectives	Hydrocortisone Neomycin Eye Drops, Dexamethasone Neomycin Eye Drops, Dexatrol, Sulfa Pred Ophthalmic Suspension, and Neo Fm Eye Suspension
	Non Steroids and Anti-Inflammatory	Epifenac Eye Drops, and Inocin
	Beta-Blockers	Timolol
	Mydriatics	Epitropine Eye Oint
	Orodentals	N.A.
Pulmonics	Antitussives	Selgon, and Noscapine
	Bronchodilators	Aerolin, Asmolin Tab, Epicophylline, Epicophylline Phenobarbitone Syrup, and Salbutamol
	Expectorants	Bronchophane Syrup, and Diphen
Spasmolytics	N.A.	Epirax Tab, Tranquomon Tab, No-Spasm, and Colospasmin
Urologics	Diuretics	Epilactone, Epitens Tab, and Epilactazide Tab
	Urinary Anti-Infectives	Epinor Tab
	Drug used to alter Urinary pH	Epimag Eff. Granules
Vaginetics	N.A.	Tantum Rosa Sachets, and Crema-Rosa Tab
Vitamins and Minerals	Single Vitamins	Cevitil Eff. Tab, and Folic Acid Tab
	Vitamin Combinations	Covit Cap, Vit. B-Complex Syrup, and Epinosine- B - Forte Amp
	Vitamins and Minerals	Ferro Fol Cap, Mineravit Cap, Vitazinc Cap, Optical Compound, Optical, Creacon, and Vitona Plus Cap
	Single Minerals	Fer-Sol Drops

Source: Zawya, and Company Website..

# Hikma Pharmaceuticals Plc Acquires Egyptian International Pharmaceutical

## 100% Stock

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$4.96	1.00x	\$357.7	\$285.5	\$0.29	29.4%	\$0.15	15.5%	\$0.10	9.9%	(\$30.0)	(\$23.2)	(\$19.4)	72.9%	20.3%	1.3x
10.0%	5.46	1.10x	393.5	321.3	0.26	26.0%	0.12	12.4%	0.07	7.0%	(27.3)	(19.0)	(14.0)	71.0%	19.8%	1.3x
20.0%	5.95	1.20x	429.3	357.1	0.23	22.7%	0.09	9.4%	0.04	4.2%	(24.5)	(14.9)	(8.7)	69.2%	19.2%	1.3x
30.0%	6.45	1.30x	465.1	392.9	0.20	19.7%	0.07	6.7%	0.02	1.6%	(21.7)	(10.8)	(3.3)	67.4%	18.7%	1.3x
40.0%	6.94	1.40x	500.8	428.6	0.17	16.7%	0.04	4.0%	(0.01)	(1.0%)	(18.9)	(6.7)	2.1	65.8%	18.2%	1.3x
50.0%	7.44	1.50x	536.6	464.4	0.14	13.9%	0.02	1.5%	(0.03)	(3.3%)	(16.2)	(2.6)	7.4	64.2%	17.7%	1.3x

## 50% Stock and 50% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$4.96	0.50x	\$357.7	\$285.5	\$0.40	40.0%	\$0.27	27.2%	\$0.22	22.3%	(\$35.3)	(\$35.1)	(\$37.6)	84.3%	35.3%	2.3x
10.0%	5.46	0.55x	393.5	321.3	0.37	36.8%	0.25	24.5%	0.20	19.8%	(33.0)	(32.2)	(34.1)	83.0%	35.7%	2.4x
20.0%	5.95	0.60x	429.3	357.1	0.34	33.8%	0.22	21.9%	0.17	17.5%	(30.8)	(29.3)	(30.5)	81.8%	36.1%	2.5x
30.0%	6.45	0.65x	465.1	392.9	0.31	30.8%	0.19	19.4%	0.15	15.2%	(28.5)	(26.3)	(27.0)	80.5%	36.5%	2.6x
40.0%	6.94	0.70x	500.8	428.6	0.28	28.0%	0.17	17.0%	0.13	13.0%	(26.3)	(23.4)	(23.4)	79.4%	36.9%	2.7x
50.0%	7.44	0.75x	536.6	464.4	0.25	25.2%	0.15	14.7%	0.11	10.9%	(24.0)	(20.5)	(19.8)	78.2%	37.2%	2.8x

## 100% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%	FY 2008E	FY 2009E	FY 2010E			
0.0%	\$4.96	0.00x	\$357.7	\$285.5	\$0.54	54.5%	\$0.43	43.3%	\$0.39	39.3%	(\$40.6)	(\$47.1)	(\$55.8)	100.0%	50.1%	3.2x
10.0%	5.46	0.00x	393.5	321.3	0.52	52.1%	0.42	41.7%	0.38	38.0%	(38.8)	(45.4)	(54.1)	100.0%	51.6%	3.4x
20.0%	5.95	0.00x	429.3	357.1	0.50	49.8%	0.40	40.1%	0.37	36.8%	(37.1)	(43.6)	(52.4)	100.0%	52.9%	3.6x
30.0%	6.45	0.00x	465.1	392.9	0.47	47.4%	0.39	38.5%	0.36	35.6%	(35.3)	(41.9)	(50.6)	100.0%	54.2%	3.8x
40.0%	6.94	0.00x	500.8	428.6	0.45	45.1%	0.37	36.9%	0.34	34.4%	(33.6)	(40.1)	(48.9)	100.0%	55.4%	4.0x
50.0%	7.44	0.00x	536.6	464.4	0.43	42.8%	0.35	35.3%	0.33	33.1%	(31.8)	(38.4)	(47.1)	100.0%	56.6%	4.2x

Note: Share price as of January 13, 2009.

Assumptions: Transaction expenses of \$20.0 million; Financing fees of 2.0%; No Synergies; Interest expenses of 4.5%, and Interest income of 3.0%; New Intangible Amortization is amortized over a period of 10 years and Financing Fees are amortized over a period of 7 years; FY ending Dec 31.

# Arab Center for Pharmaceuticals and Chemicals Industries Co





# Arab Center for Pharmaceuticals and Chemicals Industries Co

## Overview

### Business Overview

- **Business Description**

- Arab Center for Pharmaceuticals and Chemicals Industries Co is engaged in the manufacture of hard hollow gelatin capsules, pharmaceuticals, medicines and veterinary drugs
- The Company sells its products domestically and exports it to Middle Eastern and African countries

- **Business Activities**

- The companies core business is to manufacture hard hollow gelatin capsules

- **Headquarters:** Amman, Jordan

- **Employees:** 100

- The Company was incorporated in 1983

### Public Market Overview

Current Market Price as of 1/13/09	\$2.13
% of 52-Week High	68.2%
Diluted Shares Outstanding (mm) <sup>(1)</sup>	5,000
<b>Equity Value</b>	<b>\$10.7</b>
Plus: Net Debt	(1.9)
<b>Enterprise Value <sup>(2)</sup></b>	<b>\$8.8</b>
5-Year EPS Growth Rate	NA

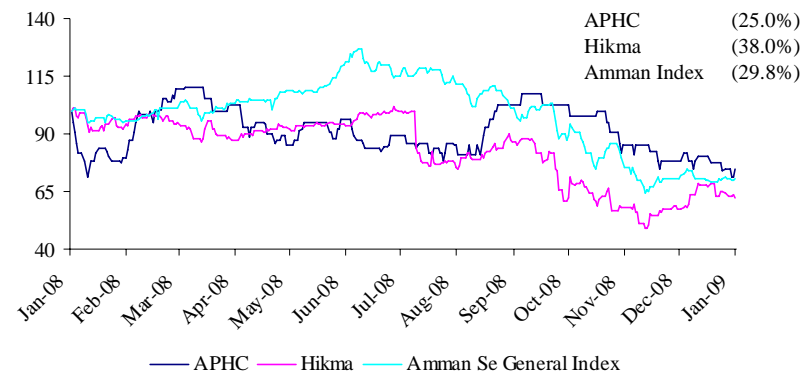
#### Trading Multiples

Period Ending	Enterprise Value /				
	Sales	EBITDA	EBIT	P/E	PEG
FY 2008	3.86x	NA	NA	44.5x	NA
FY 2009	3.47x	47.0x	NA	30.5x	NA
FY 2010	3.14x	34.5x	NA	20.3x	NA

Financial Results	Sales	EBITDA	EBIT	EPS
	FY 2008	\$2.3	\$0.1	(\$0.3)
FY 2009	2.5	0.2	(0.2)	0.07
FY 2010	2.8	0.3	(0.1)	0.11

### 52 Week Relative Share Price Performance



Source: Company Website, Zawya, and Google Finance; Employees data from Google finance.

(1) Options accounted for using Treasury Stock Method,

(2) Enterprise Value = Market Value of Equity + Short-term Debt + Long-term Debt + Preferred Equity + Minority Interest - Cash and Marketable Securities.

(3) Fiscal Year Ending December 31.

(4) JOSMGNFF Index is Amman Se General Index of Jordan.

# Arab Center for Pharmaceuticals and Chemicals Industries Co

## Overview

### Board of Directors & Management Team

Name	Position
<b>Board of Directors</b>	
Mazen Hamzah Ahmad Tantash	Chairman
Jamil Abdul Fattah Jaber Gubran	Vice Chairman
Faraj Mohammed Abdullah	Director
Ibrahim Abbas Tomeh	Director representing General Pharmaceuticals and Medical Appliances Industry
<b>Management Team</b>	
Mohamad Al Manfaloti	General Manager
Oussama H Asfour	Finance and Administration Manager
Yasser Al Nouaiji	Production Manager

### Ownership Structure

Shareholders	%
Tantash (Hamzah Ahmad Yusef)	45.9%
General Pharmaceutical & Medical Equipments Manufa	17.5%
Ruler of Jordan	4.5%
Tantash (Mazen Hamzah Ahmad)	1.2%
Orphans Money Development Foundation	1.1%
<b>Major Shareholders</b>	<b>70.2%</b>
Others	29.8%
<b>Total</b>	<b>100.0%</b>

# Hikma Pharmaceuticals Plc Acquires Arab Center for Pharmaceuticals

## 100% Stock

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$2.13	0.43x	\$10.7	\$8.8	(\$0.02)	(1.9%)	(\$0.02)	(1.5%)	(\$0.01)	(1.3%)	\$1.4	\$1.7	\$1.9	98.9%	28.5%	2.1x
10.0%	2.35	0.47x	11.7	9.9	(0.02)	(2.0%)	(0.02)	(1.7%)	(0.01)	(1.4%)	1.5	1.8	2.0	98.8%	28.5%	2.1x
20.0%	2.56	0.52x	12.8	10.9	(0.02)	(2.1%)	(0.02)	(1.8%)	(0.02)	(1.5%)	1.6	1.9	2.2	98.7%	28.4%	2.1x
30.0%	2.77	0.56x	13.9	12.0	(0.02)	(2.2%)	(0.02)	(1.9%)	(0.02)	(1.6%)	1.7	2.1	2.3	98.6%	28.4%	2.1x
40.0%	2.99	0.60x	14.9	13.1	(0.02)	(2.3%)	(0.02)	(2.0%)	(0.02)	(1.7%)	1.8	2.2	2.5	98.5%	28.4%	2.1x
50.0%	3.20	0.64x	16.0	14.1	(0.02)	(2.4%)	(0.02)	(2.1%)	(0.02)	(1.8%)	1.8	2.3	2.7	98.4%	28.3%	2.1x

## 50% Stock and 50% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$2.13	0.21x	\$10.7	\$8.8	(\$0.02)	(1.7%)	(\$0.01)	(1.2%)	(\$0.01)	(0.9%)	\$1.3	\$1.3	\$1.3	99.4%	29.1%	2.2x
10.0%	2.35	0.24x	11.7	9.9	(0.02)	(1.8%)	(0.01)	(1.3%)	(0.01)	(1.0%)	1.3	1.4	1.4	99.4%	29.1%	2.2x
20.0%	2.56	0.26x	12.8	10.9	(0.02)	(1.9%)	(0.01)	(1.4%)	(0.01)	(1.1%)	1.4	1.5	1.5	99.3%	29.2%	2.2x
30.0%	2.77	0.28x	13.9	12.0	(0.02)	(2.0%)	(0.01)	(1.5%)	(0.01)	(1.1%)	1.5	1.6	1.6	99.3%	29.2%	2.2x
40.0%	2.99	0.30x	14.9	13.1	(0.02)	(2.1%)	(0.02)	(1.5%)	(0.01)	(1.2%)	1.5	1.7	1.7	99.2%	29.2%	2.2x
50.0%	3.20	0.32x	16.0	14.1	(0.02)	(2.2%)	(0.02)	(1.6%)	(0.01)	(1.3%)	1.6	1.8	1.8	99.2%	29.3%	2.2x

## 100% Cash

Offer Premium	Offer Price	Exchange Ratio	Offer Value	Transaction Value	Accretion / (Dilution)						Pre-Tax Synergies/ (Cushion) to BE (in millions)			Hikma Pro Forma	Hikma Pro Forma	
					FY 2008E		FY 2009E		FY 2010E		FY 2008E	FY 2009E	FY 2010E	Ownership	Debt/ Capitalization	Debt/ EBITDA
					\$	%	\$	%	\$	%						
0.0%	\$2.13	0.00x	\$10.7	\$8.8	(\$0.02)	(1.5%)	(\$0.01)	(0.9%)	(\$0.01)	(0.5%)	\$1.1	\$1.0	\$0.8	100.0%	29.7%	2.2x
10.0%	2.35	0.00x	11.7	9.9	(0.02)	(1.6%)	(0.01)	(1.0%)	(0.01)	(0.6%)	1.2	1.0	0.8	100.0%	29.8%	2.2x
20.0%	2.56	0.00x	12.8	10.9	(0.02)	(1.6%)	(0.01)	(1.0%)	(0.01)	(0.6%)	1.2	1.1	0.9	100.0%	29.9%	2.2x
30.0%	2.77	0.00x	13.9	12.0	(0.02)	(1.7%)	(0.01)	(1.1%)	(0.01)	(0.7%)	1.3	1.1	0.9	100.0%	30.0%	2.3x
40.0%	2.99	0.00x	14.9	13.1	(0.02)	(1.8%)	(0.01)	(1.1%)	(0.01)	(0.7%)	1.3	1.2	1.0	100.0%	30.1%	2.3x
50.0%	3.20	0.00x	16.0	14.1	(0.02)	(1.9%)	(0.01)	(1.1%)	(0.01)	(0.7%)	1.4	1.2	1.0	100.0%	30.2%	2.3x

Note: Share price as of January 13, 2009.

Assumptions: Transaction expenses of \$20.0 million; Financing fees of 2.0%; No Synergies; Interest expenses of 4.5%, and Interest income of 3.0%; New Intangible Amortization is amortized over a period of 10 years and Financing Fees are amortized over a period of 7 years; FY ending Dec 31.