



Recurring EBITDA grows twice as strongly as turnover

Arseus (Professional Health) is ready for the IPO

Consumer Health: successful first implementation of profitable growth strategy

Nazareth, Belgium 29 August 2007 — Omega Pharma is publishing the results for the first six months of 2007 today. They can be found in a separate document at www.omega-pharma.be. This press release includes a selection of key figures and related comments.

KEY FIGURES

Consolidated results in EUR thousands	1st Half Year		
	2007	2006	Evolution
Net turnover	567,796	503,713	+13%
Operating cash flow (EBITDA) ⁽¹⁾	92,020	73,126	+26%
<i>As a percentage of the net turnover</i>	<i>16.2%</i>	<i>14.5%</i>	
Depreciations and amortizations (DA)	10,896	9,222	+18%
Non-recurring items	-4,539	0	
Operating result (EBIT) ⁽²⁾	76,585	63,904	+20%
Financial result	-19,846	-13,966	+42%
Earnings before taxes (EBT) ⁽²⁾	56,739	49,938	+14%
Income tax	9,756	8,649	+13%
Net profit of the period ⁽²⁾	46,982	41,289	+14%
Net recurring profit of the period ⁽³⁾	50,741	41,289	+23%
Data per share			
Average number of shares ⁽⁴⁾	25,843,264	25,864,618	
Net recurring profit per share (EPS) ⁽³⁾	1.96	1.60	+23%

(1) Operating result before non-recurring items, increased with depreciations and amortizations.

(2) After non-recurring items

(3) Before non-recurring items

(4) Calculated on the basis of the weighted average number of shares, after deduction of treasury shares

COMMENTS WITH THE CONSOLIDATED FINANCIAL ACCOUNTS FOR THE FIRST HALF 2007

Profit & Loss account

Leverage effect illustrates successful implementation of profitable growth strategy

The consolidated turnover grew by 13% versus the same period last year. More detailed comments on the evolution of the turnover can be found in the press release of 19 July 2007, available at www.omega-pharma.be.

The gross margin grew from 52.9% last year to 54.6%. This reflects the continued efforts of the group to further optimize the product mix. To this end, the Consumer Health division has focused on the brand strategy with the Star Brand Categories, while the Arseus units have also paid extra attention to high-margin products and concepts in their portfolio.

All other profitability indicators also grew faster than the turnover. For the recurring operating cash flow, the growth rate stands at two times higher. This considerable leverage effect exemplifies a streamlined organization, with a strict cost control, which permanently focuses on profitable growth.

The financial result amounts to EUR 19.8 million. The evolution versus June 2006 is mainly related to the financing of the Bittner Pharma acquisition and with the general increase of interest rates.

The net recurring profit of the period grew by 23% and amounts to EUR 1.96 per share.

Non-recurring items represent EUR 4.5 million: EUR 2.8 million for the Consumer Health division (mainly restructuring charges in the Irish plant) and EUR 1.7 million for Arseus (mainly related to optimization and integration exercises at Corilus, Arseus Dental, and Arseus Medical).

Balance sheet

Further improvement of working capital, all parameters under control

At the balance sheet level, the main evolutions are related to the inclusion of Bittner Pharma in the consolidation circle.

Net capex (acquired and produced fixed intangible and tangible assets, reduced by the sold tangible fixed assets) represented 2.4% of the turnover in the first half of this year, compared to 2.1% in the same period last year. This slight increase refers to Bittner Pharma, where an efficiency enhancing and volume increasing investment programme for the Austrian manufacturing site is running until the end of the year.

The operating working capital (inventories + trade receivables - trade payables) amounted to EUR 163.3 million, versus EUR 152.1 million on 31 December 2006. Expressed as a percentage of the annualized turnover, this reveals a favourable evolution of the working capital: from 17% (30 June 2006) over 15% (31 December 2006) to 14% (30 June 2007).

SEGMENT REPORTING; FIGURES PER BUSINESS UNIT

Non-audited management figures	Turnover			EBITDA ⁽¹⁾			
	First Half Year			First Half Year			
Consolidated results in EUR million (in %)	2007	2006	Growth	2007	2006	Growth	1H07 margin
Omega Pharma Belgium	113.9	109.8	+4%	15.1	14.7	+3%	13.3%
Omega Pharma France	98.4	87.8	+12%	10.8	8.0	+35%	11.0%
<i>Omega Pharma Europe</i>	<i>209.6</i>	<i>173.2</i>	<i>+21%</i>	<i>52.8</i>	<i>38.8</i>	<i>+36%</i>	<i>25.2%</i>
Omega Pharma Northern Europe	54.1	51.3	+5%	14.3	13.4	+7%	26.4%
Omega Pharma Southern Europe	84.1	75.3	+12%	17.4	12.6	+38%	20.7%
Omega Europe 'Rest Of World'	71.4	46.6	+53%	21.1	12.8	+65%	29.6%
Consumer Health (OTC)	422.0	370.8	+14%	78.7	61.5	+28%	18.6%
Fagron Group	50.8	47.4	+7%	9.2	8.4	+10%	18.1%
Corilus	12.4	12.7	-2%	3.0	2.9	+3%	24.2%
Arseus Dental	57.8	50.6	+14%	5.7	5.4	+6%	9.9%
Arseus Medical	24.8	22.2	+12%	1.3	-0.1	-	5.2%
Arseus (Professional Health)	145.8	132.9	+10%	19.2	16.6	+16%	13.2%
<i>Corporate cost</i>				<i>-5.9</i>	<i>-5.0</i>	<i>+18%</i>	
Total Omega Pharma	567.8	503.7	+13%	92.0	73.1	+26%	16.2%

⁽¹⁾ Operating result, before non-recurring items, increased by depreciations and amortizations

ARSEUS PROFESSIONAL HEALTH

Strong profitability improvement – Organization is gaining momentum

With a 16% increase in the recurring EBITDA, Arseus confirms that the turnaround has been reached in the first half of this year. The recurring EBITDA now amounts to 13.2% of the turnover versus 12.5% for the same period in the previous year. At Arseus Dental, Arseus Medical, and Corilus, additional measures are being implemented to further improve profitability in the future. Management expects that the Arseus organization will soon reach optimum speed.

Fagron Group demonstrated a strong performance in the first half year. The recurring EBITDA increased by 10% and the margin improved from 17.7% in the first half of 2006 to 18.1% as of 30 June 2007. This strong profitability is the result of the continuous optimization of the product mix, combined with the further development of the European purchase organization. When the recently acquired company Polichimica is included in the consolidation circle in the course of the third quarter of 2007, this Italian organization will be also be able to benefit from this purchase platform. Furthermore, Fagron has started up activities in France during the first half of the year. The creation of a corporation in the UK a few weeks ago is also part of Fagron's plan to become operational over time throughout Europe.

Corilus improved its profitability while experiencing a slightly declining turnover. In the first half year, the organization has been adjusted to the renewed business model which focuses on total solutions and high value-added services. Since the organizational structure has been adjusted, more attention can now be paid to commercial activities, thus bringing the turning point in the evolution of the turnover within reach.

Arseus Dental is managing a stepwise shift in the balance between the sales of consumables to equipment and investment goods with higher margins. In this context, Arseus Dental has continued to optimize the consumables inventory during the first six months of the year. While this has impacted the profitability for the first half year, the organization is now able to implement the new business model more quickly. A well-filled order book justifies a bold perspective for the future.

Arseus Medical demonstrates that the turnaround of the turnover evolution has also led to an improvement in the profitability level. The recurring EBITDA margin was still slightly negative in the first half of the previous year, but has now already evolved positively to 5.2%. Numerous new distribution contracts provided their first significant sales contribution in the past quarter.

OMEGA CONSUMER HEALTH (OTC)

Perfectly on track for achieving strategic ambitions for 2011

Confirmation of turnaround in France and solid profitability level of Bittner Pharma

The Consumer Health organization is fully implementing the profitability improvement programme. This programme is aligned with the objective of generating an average annual internal sales growth of 7% in the period 2001-2007 and to achieve a 20% EBITDA margin (after corporate costs) by 2011.

Thanks to numerous actions that were initiated in the first half year throughout the entire organization, the Consumer Health division managed to lift its recurring EBITDA margin to 18.6%. After absorption of the entire corporate cost (EUR 5.9 million), the margin is at 17.2%. The fact that such considerable progress could already be achieved at this phase of the programme strengthens management's faith in the feasibility of the strategic objective for the EBITDA margin.

Omega Pharma France deserves special attention. The French organization confirmed its turnaround with a remarkable performance. As a result of last year's restructurings, it was able to demonstrate a leverage impact in the past period: while turnover grew 12%, the recurring EBITDA increased almost three times as strongly (+35%).

Thanks to a swift integration, Bittner Pharma has already yielded the expected contribution to profitability from its very first inclusion in the consolidated accounts. This organization has thus proved to be a solid platform from where the group can grow further on the extremely attractive OTC markets in Russia, Ukraine, and many other countries in this region.

The brand strategy, involving the Star Brand Categories, is another pillar for profitability improvement. In the first half year of 2007, turnover from the Star Brand Categories already represented over 60% of the turnover from OTC products. Dermotherapeutics (Wartner) and anti-insect products (Paranix) were among the most successfully growing categories in this period.

PROGNOSES⁽¹⁾

The Consumer Health division projects 2007 turnover at between 830 and 850 million euro. This is in line with the strategic objective for internal growth (on average 7% per year for the period up to and including 2011).

Arseus has projected at least a six per cent growth in its turnover in 2007 and even sees the ambitious target of 300 million euro (plus eight per cent YoY) as being within reach.

Consequently, Omega Pharma reconfirms its prognosis for the 2007 group turnover of between 1,130 and 1,150 million euro (1.13-1.15 billion euro). With the restructuring and refinement of the strategy, the group also expects a further improvement in all profitability ratios at group level.

STATUS OF ARSEUS IPO

The administrative preparations for the Arseus IPO are making good progress. In this respect, the required procedures have been initiated with the competent authorities. As mentioned earlier, the IPO of Arseus will comprise both a capital increase by Arseus and a placement by Omega Pharma of a part of the existing Arseus shares. In this way the potential transaction will create additional resources for both Omega Pharma (OTC) and Arseus to implement their respective growth strategies, each with a dedicated focus.

Omega Pharma plans to provide its existing shareholders with a priority subscription right in the Arseus IPO. Omega Pharma's reference shareholder Couckinvest NV intends to participate for his share in such priority tranche to a significant extent. Final Offering structure details will be described in a prospectus subject to the approval of the Belgian market authority.

Considering the successful half-year results of Arseus, as well as the progress in the administrative preparations, Omega Pharma expects to realize the Arseus IPO as scheduled in 2007.

⁽¹⁾ Disclaimer: This press release contains forward-looking information which is based on current internal estimates and expectations as well as market expectations. Forward-looking statements contain inherent risks and apply exclusively on the date they are made. The actual results may differ substantially from those included in the forward-looking statements.

STATUTORY AUDITOR'S REVIEW REPORT

We have reviewed the condensed consolidated balance sheet of Omega Pharma NV and its subsidiaries as of 30 June 2007 and the related condensed consolidated statement of income, the condensed cash flow statement and consolidated statement of changes in shareholders' equity for the six-month period then ended. These half-yearly condensed consolidated financial statements, which show a balance-sheet total of EUR 000 1,605,198 and a profit for the period of EUR 000 46,982, have been prepared under the responsibility of the Board of Directors of Omega Pharma NV, in accordance with the accounting policies described in note 1 and 2. Our review involved principally analysis, comparison and discussion of the financial information in accordance with the recommendation of the Belgian Institute of Company Auditors related to reviews and, accordingly, was less extensive in scope than an audit of the half-yearly condensed consolidated financial statements. Our review did not reveal any matters requiring correction of the half-yearly condensed consolidated financial statements for them to have been properly prepared, in all material respects, in accordance the accounting policies described in note 1 and 2.

We have also read the half-yearly financial accounting data presented in tabular form under the heading "key figures" of the press release concerning the half-year ended 30 June 2007 and confirm that such data are consistent with the half-yearly condensed consolidated financial statements from which they are derived and which were the subject of our review as described above.

29 August 2007

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Financial calendar

Thursday 18 October 2007 (17:45 CET):

Thursday 17 January 2008 (17:45 CET):

Thursday 13 March 2008 (tentative):

Trading update 3rd Quarter 2007

Trading update 4th Quarter 2007

Publication FY2007 Results