



## Trading Update on the Third Quarter 2008

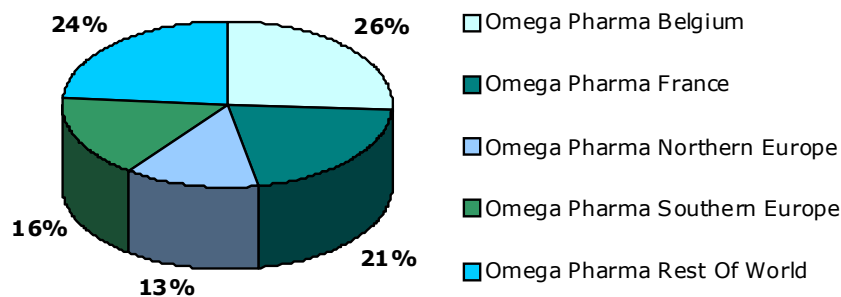
### *Belgium, innovation and Emerging Markets provide double-digit growth*

- Successful confirmation of the growth strategy in place since Q2/2008
- Strong performance in Belgium based on restoration of OTC and generic drugs growth
- Emerging Markets make significant contribution to the increase in sales
- No major impact by macro-economic climate noticed in Q3 thanks to innovations

Nazareth (Belgium) - October 16, 2008 (5:45 PM CET) – The consolidated turnover of the third quarter of 2008 amounts to 182.5 million euro. Compared to the same period last year this is a 10% increase, of which 9% internal growth. The evolution of the turnover per business unit is as follows:

Non-audited management figures in EUR million	Third quarter		
	2008	2007	evolution
Belgium	46.9	38.8	+21%
France	38.5	39.9	-3%
Northern Europe	24.6	24.3	+1%
Southern Europe	29.5	25.4	+16%
Rest Of World	43.0	37.9	+13%
<b>Omega Pharma (OTC)</b>	<b>182.5</b>	<b>166.3</b>	<b>+10%</b>

### Contribution to the consolidated turnover of the third quarter 2008



## Overview by business unit

- In **Belgium**, the turnover of Omega Pharma grew again following a couple of difficult quarters.
  - Omega Pharma has increased its market share for generic medicines even further over the last quarter in the stabilized generic market environment. New generic versions of block buster products facing patent expiration are scheduled for 2009.
  - Among OTC products, Parazeet and Paranix (anti-insect products) and the anti-snoring product Silence achieved the most notable performances. At the same time, the highly motivated Belgian sales organization has also prepared the market for the introduction of numerous product innovations for the 2008 fourth quarter and for 2009.
- In **France**, as expected, a significant number of customers continued to follow a prudent purchasing pattern. In anticipation of this trend, the French organization had already scheduled the introduction of numerous available product innovations for the 2008 fourth quarter and for 2009. In the first nine months of 2008, France has sustained its position in the slimming products segment through the enlargement of its assortment with low-calorie foods under the XLS Nutrition brand. The T.LeClerc and Innoxia make-up products and the Phytosun Arômes products for aroma therapy also generated nice growth figures.
- In **Northern Europe**, the growth of the turnover (+1%) was less pronounced than in the previous quarters. Like in the other countries, the main innovations for the Scandinavian and German markets are held back for the 2008 fourth quarter and in 2009. Since the beginning of the year, the re-launch of Claire Fisher has provided a new dynamic in the turnover evolution for this German brand of skin care products.
- For the second consecutive quarter, **Omega Southern Europe** registered an increase in turnover of over 15%. The XLS slimming products and the Paranix anti-head lice products performed well throughout the entire region. Most notable is Greece, where the cross-selling strategy has yielded optimal results. After nine months, the turnover is approximately one third higher than in the comparable period last year.
- **Omega Rest of World** also posted a double-digit growth in turnover for the second quarter in a row. It enjoyed a particularly strong September in the Emerging Markets. The turnover in Central and Eastern Europe has increased by 15% over the past three quarters, based in large part on the successful introduction of Wartner anti-wart products in this region. The export to the other emerging markets also continued to gain momentum, with Paranix as the strongest growth product.

## **Innovation and geographic expansion in OTC**

Since the carve-out of Arseus a year ago, Omega Pharma has become a pure OTC company. The group can now focus entirely on consumer health products, which appear to be only little to moderately sensitive when the overall economy is in recession. Omega Pharma, with a core focus on OTC and with strong sales organizations, should also be capable of outperforming the sector.

Omega Pharma continues its geographic expansion to the Emerging Markets that already contribute 11% to the consolidated turnover. Omega Pharma is no longer looking for expansion through the acquisition of larger targets. It will instead concentrate on various smaller opportunities, thus managing risks while still creating suitable sales platforms. The company has, for example, already engaged in smaller participations, acquisitions, joint-ventures and/or greenfield operations to create platforms for its products in Australia, Austria, the Czech Republic, Hungary, New Zealand, Slovakia, Switzerland and South-East Asia. Although each initiative is at present still relatively small, Omega Pharma management expects that this strategy can help lay the foundations for continued growth over the next several years.

The combination of innovation and geographic expansion has enabled Omega Pharma to continue the sales growth that was restored in the second quarter, despite the current difficult macro-economic conditions. In the past quarter, this strategy yielded a double-digit sales growth in not less than 10 affiliates: the Baltics, Belgium, Finland, Greece, Poland, Russia, Spain, Sweden, and Ukraine as well as Export.

## **Prognosis (\*)**

Based on the developments in the first nine months and the numerous initiatives scheduled for the second half of 2008 in a growing number of countries, Omega Pharma confirms its prognosis to achieve a growth in turnover of 3% to 7% for 2008.

At the time of the publication of this interim statement, Omega Pharma has not noticed any material impact from the present macro-economic situation on its operations, its liquidity position, its solvency situation, nor on its profitability compared to the initial business plan. Omega Pharma is, on the contrary, convinced that its current strategy - innovations combined with geographic expansion - will lead to structurally higher market shares and thus to higher turnover and profits for the Group.

*(\*) see disclaimer at the bottom of this press release*

## **Omega Pharma, a pure OTC play**

Since its creation in 1987, Omega Pharma has grown into a multinational group with almost 2,000 staff and with operations in over 30 countries. Omega Pharma is one of the few companies dealing solely in OTC products and is poised to enter the worldwide Top Ten ranking in the market for over-the-counter medicines and personal care products.

**Statement**

In conformity with the Belgian Royal Decree of November 14, 2007 Omega Pharma declares that this interim statement is edited by the Executive Committee of the Company.

**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.

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**Shareholder calendar**

Thursday 22 January 2009 (5:45 PM CET)

Thursday 12 March 2009 (5:45 PM CET)

Trading Update 4<sup>th</sup> Quarter and FY 2008  
2008 Results