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Press release

Regulated information

FAGRON GAINS MARKET LEADERSHIP IN BIGGEST COMPOUNDING MARKET IN THE WORLD BY ACQUISITION OF THE BRAZILIAN COMPANY PHARMA NOSTRA MANAGEMENT RAISES EXPECTATIONS FOR 2011

Waregem (Belgium) / Rotterdam (the Netherlands)¹, 11 July 2011 (7.30 a.m.) – Arseus announces today that it has signed an agreement in principle for the acquisition of the Brazilian Pharma Nostra, a leading supplier of raw materials for pharmaceutical compounding to pharmacies in Brazil. Pharma Nostra is the market leader in Brazil with a turnover of approximately € 45 million in 2010. Pharma Nostra's EBITDA margin is approximately 15%.

The acquisition sum for Pharma Nostra is approximately € 51 million. On completion of the transaction approximately 60% of the acquisition sum needs to be paid. This payment consists of a cash payment of € 28 million and € 4 million from treasury shares. The number of Arseus' treasury shares will therefore decrease to below the notification threshold of 3%. Payment of the remaining € 19 million will be spread over a period of three to five years.

Ger van Jeveren, CEO of Arseus: “We are delighted that in addition to the Brazilian company DEG, we can now welcome Pharma Nostra to the Fagron Group. Both acquisitions play an essential role in Fagron's strategy to further expand its global market leadership in the rapidly growing niche market of pharmaceutical compounding. The acquisition of Pharma Nostra enables us to gain clear advantages, not only with regard to purchasing, analysis and production, but also with respect to product assortment and sales and marketing. Due to the excellent track record and the quality of the organisation of both Pharma Nostra and Fagron, we expect an equally rapid and smooth integration as with DEG.”

Antonio Bolognani, CEO of Pharma Nostra: “I am looking forward to combining forces with the Fagron Group. Fagron's network in Europe, the United States, Brazil, and from 1 September also in Argentina, offers great potential to roll out successful products internationally.

¹ This press release was sent out by Arseus NV and Arseus BV.

Our clients will benefit from an excellent range of products and services and our employees will enjoy opportunities for further development in an international environment. I also look forward to making a real contribution to the further growth of both Pharma Nostra and the Fagron Group after the acquisition too.”

About Pharma Nostra

Pharma Nostra (www.pharmanostra.com.br) was founded in 2000. In 2010, Pharma Nostra achieved a turnover of € 45 million with 300 employees. Around 75% of the turnover is generated by the sale of pharmaceutical raw materials to compounding pharmacies. Industrial sales contribute around 25% to the turnover. Pharma Nostra has branches in Rio de Janeiro, Anápolis and Campinas (near São Paulo). The company’s GMP production facilities, approved by ANVISA (Agência Nacional de Vigilância Sanitária), are located in Anápolis.

About the Brazilian market

Despite the global economic crisis, the market for pharmaceutical compounding in Brazil has grown significantly over the past years, a development that is expected to continue in the coming years. Patients in Brazil have a great deal of choice, which means they tend to opt for tailor-made pharmaceutical compounds which virtually always have fewer side effects and are therefore a valuable alternative. Partly because of this, Brazil is by far the largest market in the world for pharmaceutical compounding.

In addition to 25,000 regular pharmacies, Brazil also has approximately 7,000 compounding pharmacies. These *Farmácia de Manipulação* are specialised in preparing tailor-made medications for patients. The compounding pharmacies offer a unique concept in which the direct contact between the pharmacist and the prescriber regarding the possibilities of and developments in tailor-made pharmaceutical medication plays an important role. The compounding pharmacies in Brazil have a very high level of knowledge and quality.

Buy-and-build strategy

Fagron will further strengthen its market leadership in the rapidly growing market for pharmaceutical compounding through an active buy-and-build strategy, starting up greenfields and robust organic growth. The emphasis lies on acquisitions in the existing markets, and in Scandinavia and Central and Eastern Europe.

Other information

During the acquisition of Pharma Nostra, Arseus was supported by Allen & Overy, Brasil Pereira Neto Galdino Macedo Advogados (BPGM) and Deloitte. Pharma Nostra was supported by Ulhôa Canto, Rezende e Guerra Advogados.

Outlook²

Based on the current view and the existing Arseus portfolio, Arseus' management is expecting turnover growth of between 14% and 18% in 2011, organic growth in turnover of between 3% and 6% and a profitability that is expected to grow faster than turnover.

Conference call

Ger van Jeveren (CEO) and Jan Peeters (CFO) will provide further details about the acquisition of Pharma Nostra during a conference call scheduled for today. The conference call starts at 9.30 a.m. CET. You can call in up to 15 minutes before the start on +31 10 713 72 95 (the Netherlands) or +32 24 04 03 34 (Belgium).

From 10.30 a.m., the conference call can be heard on +31 20 713 34 87 with access code 371006#. From Tuesday 12 July, the conference call can be heard on or downloaded from the corporate website of Arseus (www.arseus.com).

For more information:

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Arseus profile

Arseus is a multinational group of companies that supplies products, services and concepts to professionals and institutions in the healthcare sector in Europe, the US and Brazil. Arseus is subdivided into four divisions and operates in the markets for pharmaceutical compounding for pharmacies, dental products, medical and surgical products, and medical ICT-solutions. The Belgian company Arseus NV is located in Waregem, and is listed on NYSE Euronext Brussels and NYSE Euronext Amsterdam. The operational activities of the Arseus group are driven by the Dutch company Arseus BV. The head office of Arseus BV is located in Rotterdam.

In the event of any discrepancy between the English translation and the original Dutch version of this press release, the latter shall prevail.

² This press release contains data related to the future based on the current internal estimates and forecasts in addition to market forecasts. The statements concerning the future contain inherent risks and are only applicable on the date on which they are issued. There may be substantial differences between the actual results and the results cited in the statements about the future.