

GALENICA 2010 IN BRIEF



Philosophy and strategy: innovation within a strong network

_GaleniCare is the leading retail organisation in the Swiss pharmacy market. It is GaleniCare's intention to play an active role in shaping the future of the deregulated and rapidly changing Swiss pharmaceutical market. GaleniCare therefore focuses on developing, promoting and managing strong pharmacy networks. With its **Amavita**, **Sun Store**, **Coop Vitality** joint venture and **MediService** specialty pharmacy formats as well as with **Winconcept**, GaleniCare is rapidly becoming one of the most important partners for the various players in the healthcare market. Innovative and attractive services such as Pharma Care meet rising customer demands.

Activity

_GaleniCare's **pharmacy network** is the largest in Switzerland, with 279 own and 133 partner pharmacies. The network comprises the **Amavita** and **Sun Store** pharmacies, which are managed directly by GaleniCare, the **Amavita partner pharmacies**, which are integrated within a franchise concept, as well as the **Coop Vitality pharmacies**, which are operated under a joint venture with Coop. The **MediService** specialty pharmacy focuses specifically on in-home care for people with chronic illnesses. The brand name **Feelgood's** includes independent pharmacies for which the company **Winconcept** offers services such as marketing concepts.

Highlights of 2010

_By combining various back office functions under **Retail Services**, GaleniCare boosted the integration of the various pharmacy formats and leveraged potential synergies.

_GaleniCare's **two-year management training course** «Management and company management», which is designed as a **postgraduate management course** for pharmacists, was **certified** by the University of Basle (CAS) – the first time this has been done for a pharmacy chain in Switzerland.

_The strategy of **expansion** combined with **consolidation measures** has proven effective. The number of **Amavita pharmacies** – own and partner pharmacies – increased by a total of 10 locations. Amavita successfully launched 21 **own brand products** in the area of medicines in 2010.

_Sun Store continued to expand in 2010, doubling the number of points of sale it operates in Ticino.

_MediService has entered into new cooperation agreements with Pharma Care in the fields of respiratory illnesses and dermatology, with the aim of opening up new therapeutic areas.

_Convincing marketing and communication tools inspired 20 pharmacies to join the **Winconcept partnership** under the **Feelgood's** brand in 2010.

Outlook for 2011

_The price and margin cuts implemented in 2010 will continue to have a strong impact on the pharmacy market. GaleniCare will push ahead with **expansion in all formats** and **optimisation of individual locations**. The **consistent customer focus** will concentrate on expanding existing services in line with requirements and developing new ones, and ensuring that pharmacy staff receives the necessary basic and further training.

Companies and pharmacy formats

_GaleniCare Management Ltd.,
www.galenicare.ch
_Amavita pharmacies, www.amavita.ch
_Sun Store SA, www.sunstore.ch
_MediService Ltd., www.mediservice.ch
_Winconcept Ltd., www.winconcept.ch
_Coop Vitality AG¹, www.coopvitality.ch

Key figures 2010

_Net sales: CHF 1,089.5 million
_EBITDA: CHF 70.6 million
_EBIT: CHF 50.9 million
_Employees: 3,848
(3,008 full-time equivalents)

Philosophy and strategy: promoting networks

_The management of data, information and knowledge as well as network functionalities is becoming a strategic success factor now that service providers in the healthcare sector are under increasing pressure to optimise processes, leverage synergies and realise cost benefits. HCI Solutions maintains databases and develops management solutions tailored specifically to the needs of the networked healthcare market. The products encompass both the **management of content (Content)** and **IT systems (Process)**. With its products, HCI Solutions can meet the needs of customers for IT tools quickly and efficiently, and support them in their proactive role in the healthcare market. HCI Solutions plays a key role in the **eHealth Switzerland** strategy through its extensive expertise in creating and operating databases and developing management systems for the healthcare sector.

Activity

_e-mediat is the leading provider of master data systems for the entire Swiss healthcare market. Documed publishes printed and electronic works in the area of pharmaceutical information, such as the **Swiss Drug Compendium (Arzneimittel-Kompendium der Schweiz®)** and the **Basis-Brevier™**.

_Total management solutions with sector-specific software products are offered **under the Triamun brand**. **TriaPharm®** was designed specifically for pharmacies and supports networked, comprehensive pharmacy management. **TriaOne®** is a non-sector-specific ERP solution for the retail trade. **TriaMed®** software was developed for physicians and is suitable for both individual and networked medical centres.

Highlights of 2010

_As the partner of choice, **e-mediat** has been tasked by the RefData Foundation with developing and operating the **master registry (OID)** as part of eHealth Switzerland. All solid oral forms of Rx products have been incorporated into the **image database** for the INDEX products. High demand, particularly from hospitals and health insurers, for specific **INDEX products** led to a number of contracts being signed. The latest version of **TriaPharm®** has been installed in over 80 Amavita pharmacies. The **prototype of a system for the transfer of patient files** between hospitals and medical practices was very successfully presented under the Triamun brand at the eHealth trade fair in Nottwil (Switzerland).

Outlook for 2011

_e-mediat is beginning work on the **master registry** for the Swiss healthcare sector. The **image database** is being expanded with photographs of OTC products. The online version of the **Swiss Drug Compendium (Arzneimittel-Kompendium der Schweiz®)** is being published in target group-specific versions and will be available for new media from the first half. The **CompendiumPortal** is also being substantially expanded. The **pharmaceutical database** with information relating to dispensing medicines will come into operation. **Triamun** will further develop additional user-oriented functionalities for **TriaPharm®, TriaMed®** and **TriaOne®**, thus addressing new customer segments.

Companies

_HCI Solutions Ltd., www.hcsolutions.ch
_Documed Ltd., www.documed.ch
_e-mediat Ltd., www.e-mediat.ch

Key figures 2010

_Net sales: CHF 49.0 million
_EBITDA: CHF 12.4 million
_EBIT: CHF 7.2 million
_Employees: 199 (182 full-time equivalents)

¹ Consolidated at equity