







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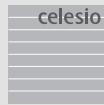
**Interim Report 1<sup>st</sup> – 3<sup>rd</sup> Quarter 2006**

**celesio**  
the healthcare group



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Celesio Group

## Highlights

- Growth course continues: Group revenue increased by 5.3 percent, profit before tax by 9.6 percent.
- Successful expansion into Northern Europe: With K.V. Tjellesen and Max Jenne, Celesio Wholesale and Celesio Solutions now also operate in Denmark.
- Lloydspharmacy in the United Kingdom wins several awards for its services.
- Construction of a second business unit for Celesio Solutions: The cooperation with pharmexx opens up new business opportunities.
- Share split and conversion to registered shares implemented smoothly.



## Letter to Shareholders

Dear Shareholders,

**In the first nine months of this year, Celesio increased revenue and profit. Revenue increased by 5.3 percent, profit before tax even stronger: by 9.6 percent. In 2006, Celesio will increase its profit before tax for the twentieth time in succession. This underlines the fact that Celesio has been consistently successful in adapting its business models to changes in market conditions and in developing its activities in the right direction. Using entrepreneurial flexibility it is possible to exploit opportunities arising from changes in the market in the medium and long term.**

### Danish wholesalers consolidated for the first time

In the first nine months of this fiscal year Celesio grew both organically and through acquisitions: Despite state intervention in various countries, Celesio continued to improve revenue and profit in its existing business. The Danish companies K.V. Tjellesen and Max Jenne, consolidated for the first time, also contributed to this positive development. In addition, for the first time, the profit from pharmexx attributable to Celesio was included in income from investments. Profit from operations exceeded the costs of financing for all three acquisitions.

Celesio increased group revenue by 5.3 percent (5.2 percent in local currency) to 15,946.7 million euros. Excluding acquisitions, Celesio achieved revenue growth of 3.1 percent (3.0 percent in local currency) compared with the previous year.

Celesio increased its gross profit in the first three quarters of 2006 by 10.3 percent (10.2 percent in local currency) to 1,799.7 million euros. With a gross profit margin of 11.29 percent, the figure for the previous year was exceeded by 52 basis points. The pharmacy business, where margins are higher than in wholesale, contributed considerably to the positive development. Wholesale was still under pressure from government measures and increasing competition in some markets.

"In 2006, Celesio will increase its profit before tax for the twentieth time in succession. This underlines the fact that Celesio has been consistently successful in adapting its business models to changes in market conditions and in developing its activities in the right direction."

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**Celesio** Group

The Solutions division is gaining in importance. Healthcare Logistics in particular, acquired in 2005, markedly increased the absolute gross profit of the division: It increased in the first nine months of the year by 18.8 percent (18.7 percent in local currency) to 109.1 million euros.

Other income and expenses showed an improvement over the previous year. This is attributable to the additional ongoing expenditure involved with acquired companies such as Healthcare Logistics or the 110 British Cohens and Scholes pharmacies. These were consolidated\* for the first time and for the first time for the full nine months, leading to an increase in net expenses in this item of the income statement. In addition to this, property costs were driven up by higher rents in the pharmacy business in particular. There was a slight increase in other income due, amongst other things, to advertising subsidies.

Personnel expenses rose ahead of revenue as the result of expansion in the personnel-intensive pharmacy business.

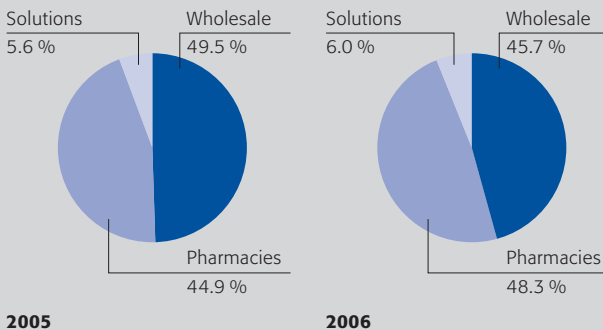
Income from investments was chiefly characterised by the dividend from the holding in Andreae-Noris Zahn AG. The profit from pharmexx attributable to Celesio was included in income from investments for the first time.

\* The 110 Cohens and Scholes British pharmacies had not yet been included in the income statement for the first three quarters of 2005; Healthcare Logistics was only consolidated from the second quarter of 2005.

EBITDA, which expresses earnings before interest, taxes, depreciation and amortisation grew by 8.6 percent (8.5 percent in local currency) to 595.5 million euros. Return on sales, based on EBITDA, increased by 11 basis points to 3.73 percent over the previous year. The improvement in gross profit in the Pharmacies division and cost reductions throughout the group in particular contributed to the increase in EBITDA. The Celesio Pharmacies division increased its contribution to the total profit in the first nine months of this year compared with the previous year.

“The improvement in gross profit in the Pharmacies division and cost reductions throughout the group in particular contributed to the increase in EBITDA.”

### Gross profit according to business divisions in the first three quarters Celesio Group





**Celesio** Group

Interest expense increased in the first nine months of this fiscal year compared to the same period last year. This was largely due to increases in the interest rates. Also, changes in the market value of derivative financial instruments caused a deterioration in the other financial results. The interest coverage (EBIT in relation to interest result) improved to 6.80 as a result of the increase in EBIT.

Profit before tax increased by 9.6 percent (9.5 percent in local currency) to 442.8 million euros. Return on sales showed a corresponding increase of 11 basis points to 2.78 percent. Profit from operations from the first-time consolidation of K.V. Tjellesen and Max Jenne, and the inclusion for the first time of the pharmexx share of the profit made a positive contribution to profit after deducting the costs of financing. However, the IFRS 3 accounting standard requires, as part of the first-time consolidation of the Danish companies and the first-time inclusion of pharmexx in income from investments, amortisation of intangible assets in the consolidated financial statements. These, however, have no effect on the operational success and the fair value of the acquired companies.



Tax expenses rose less strongly than profit before tax by comparison with the first three quarters of 2005\*: By 2.3 million euros to 128.0 million euros. A higher share of profit from abroad, tax cuts in several countries and higher tax effects unrelated to the accounting period reduced the tax ratio\* from 31.1 to 28.9 percent.

Net profit\* rose by 13.2 percent (13.2 percent in local currency) to 314.8 million euros. In the first nine months of 2006, earnings per share were 1.84 euros – compared with 1.62 euros\*\*/\*\* in the previous year.

### Celesio Group in the first three quarters

	2005		2006		Change in euros in %	Change in local currency in %
	in € m	in % of revenue	in € m	in % of revenue		
Revenue	15,139.4	100.00	<b>15,946.7</b>	<b>100.00</b>	5.3	5.2
Gross profit	1,630.9	10.77	<b>1,799.7</b>	<b>11.29</b>	10.3	10.2
EBITDA	548.5	3.62	<b>595.5</b>	<b>3.73</b>	8.6	8.5
EBIT	476.3	3.15	<b>519.2</b>	<b>3.26</b>	9.0	8.9
Profit before tax	403.9	2.67	<b>442.8</b>	<b>2.78</b>	9.6	9.5
Net profit	278.2*	1.84*	<b>314.8</b>	<b>1.97</b>	13.2*	13.2*
Cash flow	361.2*	2.39*	<b>431.1</b>	<b>2.70</b>	19.4*	19.4*

\* Adjusted to take account of trade tax refund: In the second quarter of 2005 there was a trade tax refund for the years 1996 to 2001.

\*\* Adjusted to take account of share split 1 : 2.



Celesio Group

“The sound equity base and a high, stable cash flow guarantee Celesio the scope to finance further growth.”

### **Balance sheet provides solid basis for growth**

Celesio improved its balance sheet structure: As at 30 September 2006 the equity ratio increased from 30.4 to 32.2 percent compared with the end of last year. Gearing improved to 0.86. The sound equity base and a high, stable cash flow guarantee Celesio the scope to finance further growth.

Total assets increased by 277.5 million euros to 7,789.2 million euros in comparison to 31 December 2005. In addition to the effect of the rise in the currency spot rate of the British pound sterling, the acquisitions Max Jenne and K.V. Tjellesen in particular, consolidated for the first time, increased total assets as at 30 September 2006.

At 3,409.8 million euros, non-current assets at the end of September 2006 were 184.7 million euros higher than at the end of 2005. Depreciation and amortisation totalled 76.3 million euros, of which 8.4 million euros related intangible assets and 67.9 million euros were property, plant and equipment. This was offset by investments, including acquisitions, of 280.3 million euros. Investments in existing business and acquisitions were financed entirely from cash flow. The rise in financial assets is primarily attributable to the holding in pharmexx.

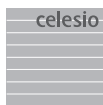
Net current assets (currents assets less current liabilities except financial liabilities) increased by 105.5 million euros compared with 31 December 2005 to 1,442.4 million euros. Inventories fell as at 30 September 2006 by 28.5 million euros. The seasonal decline was reduced as the result of the first-time inclusion of the Danish companies. Trade receivables increased slightly as the result of the first-time consolidations. Trade payables reduced in parallel to the reduction in inventories.

Tax liabilities increased slightly at the end of September 2006 alongside profit. Other current provisions and other liabilities were about on the same level as at 31 December 2005.

Pension provisions and other non-current provisions remained at a similar level to the end of last year. The share of pension provisions in total assets reduced slightly at 1.8 percent. 2.7 percent of the personnel costs were attributed to pension expenditure including interest expense.

Equity increased to 2,511.8 million euros as at 30 September 2006, in particular as the result of net profit of 314.8 million euros. The revaluation reserves also increased. There was a positive change in the effects of the currency conversion and the market value of the derivative financial instruments. Derivative financial instruments are used exclusively to hedge interest and currency risks. The dividend payment of 120.3 million euros had the effect of reducing equity. There was an increase in minority interests – outside shareholders of companies in which Celesio does not have a 100 percent holding – largely as the result of the purchase of K.V. Tjellesen, in which Celesio has the controlling majority.

Financial liabilities increased as at 30 September 2006 by 46.3 million euros compared with the end of the previous year to 2,115.2 million euros. The increase is attributed to the increase in the British pound sterling and financial liabilities acquired as part of the assets of acquired companies. There was hardly any change in the ratio of non-current to current liabilities. The structure of the financial liabilities thus remained largely the same.



**Celesio** Group

### **Cash flow used for investments**

Cash flow increased by 19.4 percent (19.4 percent in local currency) in the first nine months of 2006 by comparison with the same period last year\* to 431.1 million euros.

In addition to the investments in the operating business, the acquisitions were also financed entirely from cash flow. The free cash flow after financing the increase in net working capital and acquisitions totalled 17.8 million euros, having been -83.4 million euros in the first three quarters of 2005\*.

\* Adjusted to take account of trade tax refund: In the second quarter of 2005 there was a trade tax refund for the years 1996 to 2001.

### Cash flow in the first three quarters

	2005 in € m	<b>2006</b> <b>in € m</b>
Cash flow	361.2*	431.1
Dividends paid	- 103.4	- 120.3
<b>Cash flow after dividends paid</b>	<b>257.8</b>	<b>310.8</b>
Income from the disposal of non-current assets	19.4	18.0
Investments in the operating business	- 83.2	- 98.8
<b>Free cash flow before acquisitions and change in net working capital</b>	<b>194.0</b>	<b>230.0</b>
Change in net working capital	- 64.5	- 38.6
Acquisitions and new openings	- 233.5	- 181.5
Proceeds from the disposal of subsidiaries	1.8	4.2
Others	18.8	3.7
<b>Free cash flow</b>	<b>- 83.4</b>	<b>17.8</b>

\* Adjusted to take account of trade tax refund: In the second quarter of 2005 there was a trade tax refund for the years 1996 to 2001.



Celesio Group

"The conversion to registered shares and the share split make the Celesio share even more attractive, especially to private investors."

### **Share conversion and share split**

The conversion to registered shares and share split in the ratio 1:2 was implemented smoothly on 24 July 2006. Since then the Celesio AG registered shares have been traded on the stock market under the new ISIN DE000CLS1001 and Securities ID No. CLS 100. As the result of the conversion to registered shares, shareholders can be approached and informed even more quickly and directly. The share split has halved the absolute price of a Celesio share. The price is now on the level of other MDAX companies. The conversion to registered shares and the share split make the Celesio share even more attractive, especially to private investors.

"The first nine months of 2006 have demonstrated that Celesio is able to maintain its growth course also under partially difficult conditions. This will also remain so in the future."

### **Celesio maintains growth course despite adverse conditions**

The first nine months of 2006 have demonstrated that Celesio is able to maintain its growth course also under partially difficult conditions. This will also remain so in the future. The European pharmaceutical market is and will remain a growth market: Market studies predict growth of around 5 percent for 2006 as a whole. However in this fiscal year government measures particularly in Germany and France are hampering market growth in Western Europe – and with it, of course, Celesio's revenue growth.

Competition in pharmaceutical wholesale intensified out of proportion in Germany. In addition, the first draft of a new health reform has been introduced. It is to come into effect on 1 April 2007. Which of the plans will ultimately be implemented and how they will affect the German pharmaceutical market and the market participants is still unclear. Celesio is analysing precisely the content of the planned reform and its implications for German pharmaceutical trade and hence for Celesio, in order to be proactive in exploiting any opportunities arising from the changes.

In 2006, Celesio Wholesale will – just as in the past – grow organically in line with its market. The acquisitions of the Danish companies K.V. Tjellesen and Max Jenne will further strengthen the division. On the other hand, in France the introduction of a once-only special payment of the ‘Contribution Exceptionelle’, the special tax for pharmaceutical distributors, is under discussion. The French Parliament is not due to come to a final decision until November 2006. Celesio is countering the difficult market situation in France with a further restructuring of its French branch network. This will strengthen the wholesale business in the medium and long term. In the short term, however, the one-off restructuring costs will negatively affect profit.

The Celesio Pharmacies division will grow slightly ahead of the comparable market in 2006. With its market-leading range of services and locations in close proximity to the patients and source of prescriptions the division is well equipped for future growth. The acquisition of pharmacies and new openings will also strengthen the division. Growth might, however, be weakened as a result of the reduction in price of generic medicines in the fourth quarter of 2006, especially in the United Kingdom.

There are still great growth opportunities in the medium term for the Celesio Solutions division. Pharmaceutical manufacturers are increasingly outsourcing services which are not part of their core activities. Movianto, the business unit which offers transport and logistics solutions for the pharmaceutical industry, benefits from this. Renaming the German Sanalog to Movianto Germany in September 2006 was a further step towards a uniform international market presence. The strategic alliance with pharmexx, the second pillar of Celesio Solutions, opens up new opportunities in sales and marketing support. Further business units are to follow, offering services relating to medicines.



**Celesio** Group

"The Celesio management board is convinced that in 2006 Celesio will increase its profit for the twentieth time in succession, and from today's perspective profit will also grow more strongly than revenue."

Government intervention in the first nine months of this year, in particular in Germany and France, have visibly left their mark on the market environment. It is at present not possible to predict with certainty how this intervention and how intensified competition, particularly in Germany, will affect Celesio's profit for 2006. A further weakening of the growth rates can be expected for the fourth quarter, particularly because of the difficult wholesale markets in France and Germany, the reduction in price of generic medicines in the United Kingdom and an underlying effect (first-time consolidation of 110 acquired pharmacies on 1 December 2005). The Celesio management board is nevertheless convinced that in 2006 Celesio will increase its profit for the twentieth time in succession, and from today's perspective profit will also grow more strongly than revenue. The Celesio management board continues to anticipate that growth in group profit before tax in local currency – just as in the past – will be in double digits on a multi-annual average.



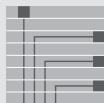
### Celesio share in the first three quarters

	2005** in € per share	<b>2006</b> <b>in €</b> <b>per share</b>	Change in euros in %	Change in local currency in %
Earnings	1.62*	<b>1.84</b>	13.9	13.9
EBITDA	3.22	<b>3.50</b>	8.6	8.5
EBIT	2.80	<b>3.05</b>	9.0	8.9
Cash flow	2.12*	<b>2.54</b>	19.4	19.4
Share price (30/09/ in €)	36.43	<b>41.11</b>	12.8	–
Number of shares outstanding (30/09/ in m)	170.1	<b>170.1</b>	–	–
Market capitalisation (30/09/ in € m)	6,195.9	<b>6,992.8</b>	12.8	–

### Growth market healthcare

\* Adjusted to take account of trade tax refund: In the second quarter of 2005 there was a trade tax refund for the years 1996 to 2001.

\*\* Adjusted to take account of share split 1 : 2.



Celesio Wholesale

**1<sup>st</sup> – 3<sup>rd</sup> quarter**

Countries	Revenue 2005	<b>Revenue 2006</b>	Revenue change in euros	Revenue change in local currency	Number of branches 2006
	in € m	<b>in € m</b>	in %	in %	
France	5,339.6	<b>5,265.0</b>	- 1.4	- 1.4	53
Germany	2,693.0	<b>2,693.9</b>	0.0	0.0	19
United Kingdom	2,341.3	<b>2,578.4</b>	10.1	10.0	19
Austria	635.1	<b>675.7</b>	6.4	6.4	7
Portugal	364.3	<b>354.2</b>	- 2.8	- 2.8	12
Norway	296.9	<b>324.3</b>	9.2	8.2	4
Belgium	296.4	<b>289.8</b>	- 2.2	- 2.2	5
Slovenia*	215.3	<b>233.6</b>	8.5	8.1	9
Ireland	183.9	<b>220.0</b>	19.6	19.6	3
Czech Republic	119.8	<b>136.5</b>	13.9	8.2	3
Italy	90.4	<b>96.7</b>	6.9	6.9	1
Denmark	0.0	<b>91.3</b>	-	-	4
<b>Total</b>	<b>12,576.0</b>	<b>12,959.4</b>	<b>3.0</b>	<b>2.9</b>	<b>139</b>

\* Including the subsidiaries in Croatia and Romania

**Fast, safe, reliable:**  
**Supplying pharmacies everywhere**  
**with everything pharmacies need**

## Celesio Wholesale

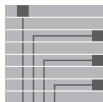
**Celesio Wholesale grew in line with the comparable market. The market was weakened by government measures particularly in France and Germany. Celesio countered this by cutting costs and making improvements in the branch network.**

### Government measures dampen growth

In the first nine months of 2006 Celesio Wholesale increased its revenue to 12,959.4 million euros, revenue therefore being 3.0 percent (2.9 percent in local currency) higher than the same period last year. Government measures in France and Germany, i.e. the division's two largest markets, significantly slowed down market growth and simultaneously therefore the revenue growth of Celesio Wholesale.

### Celesio Wholesale in the first three quarters

	2005		2006		Change in euros in %	Change in local currency in %
	in € m	in % of revenue	in € m	in % of revenue		
Revenue	12,576.0	100.00	<b>12,959.4</b>	<b>100.00</b>	3.0	2.9
Gross profit	805.7	6.41	<b>821.8</b>	<b>6.34</b>	2.0	1.9
EBITDA	322.5	2.56	<b>320.6</b>	<b>2.47</b>	-0.6	-0.6
EBIT	284.7	2.26	<b>282.3</b>	<b>2.18</b>	-0.8	-0.9
Profit before tax	264.7	2.10	<b>264.8</b>	<b>2.04</b>	0.1	0.0



**Celesio** Wholesale

Revenue of AAH, Celesio's British wholesaler, grew significantly. This growth was partly attributable to market growth in 2005 being hampered by government economy measures. In addition, in this fiscal year AAH has gained several new customers. AAH was also able to benefit from supporting the strong growth of its existing customers, and grew ahead of the comparable market in the generic products segment.

In Austria, Celesio Wholesale also showed significant growth. In the previous year, government measures had hampered the growth of Herba Chemosan. In Norway and Ireland, business with hospitals in particular contributed to the strong growth.

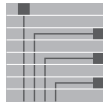
Gross profit of Celesio Wholesale increased in the first three quarters of 2006 by 2.0 percent (1.9 percent in local currency) to 821.8 million euros. Growth in gross profit was therefore not as strong as revenue. Correspondingly the gross profit margin in the first nine months of this fiscal year decreased by 7 basis points compared with 2005. There were two reasons for this decline: Competition especially in Germany intensified out of proportion, and in the United Kingdom the product mix changed by comparison with the previous year to medicines with lower margins.

### **Counter-measures in the partially difficult market environment**

EBITDA of Celesio Wholesale fell by 0.6 percent (0.6 percent in local currency) compared with the same period last year to 320.6 million euros. Profit before tax was slightly higher than in the previous year at 264.8 million euros. Based on profit before tax, return on sales fell by 6 basis points to 2.04 percent.

Celesio Wholesale responded to the weak market growth and increasing pressure on the gross profit margin in some countries by expanding its services, with attractive purchasing conditions for wholesale customers and, of course, with economy measures, and mergers and modernisation of its branches. Naturally, Celesio Wholesale is also responding by opening up new geographical markets. In the short term, however, these measures were unable to completely offset the negative effects of government intervention and increasing pressure from competition.

In France, the prices of certain groups of active ingredients were reduced by 15 to 25 percent. Furthermore, the amount reimbursed for some specific medicines were reduced or completely abolished. Some 350 million euros are to be raised in the short term by further measures concerning all participants in the pharmaceutical market. Additional savings are planned by means of price cuts and a reduction in the reimbursement tariffs. The possibility of collecting 50 million euros in the short term by means of a one-off special payment of the 'Contribution Exceptionnelle', the special tax for pharmaceutical distributors, is also under discussion. Parliament will reach a final decision on these plans in November 2006.



**Celesio** Wholesale

Since the AVWG (Arzneimittelversorgungs-Wirtschaftlichkeitsgesetz: Act on the cost-effectiveness of the supply of medicines) came into force on 1 May 2006 in Germany, rebates in kind have been abolished. A merit pricing system for doctors is to regulate prescribing behaviour more stringently. The AVWG also halts price increases for all medicines currently on sale and establishes lower ceilings for fixed prices of medicines. As a reaction to the AVWG, some manufacturers of generic medicines have reduced their prices considerably. The current discussion concerning a further, new health reform is causing uncertainty among all market participants and is also negatively impacting on the German market as a result.

### **The basis for success: Satisfied customers**

The first nine months of this year were characterised by numerous government measures. In this environment it is particularly important to strengthen wholesale customers. Solutions and offers which help the pharmacies directly increase customer satisfaction and customer loyalty. The Celesio customer loyalty models offer their several thousand member pharmacies numerous advantages. In June 2006, the German GEHE Pharma Handel introduced a new own-brand range for all about 2,800 members of its customer loyalty programme Commitment. Products are offered under the quality brand 'gesund leben' (live healthily) that are distinguished as top quality at favourable prices. The range includes vitamin preparations and teas, as well as hygiene products and diagnostic equipment.

On 1 July Celesio's Irish wholesaler, Cahill May Roberts, launched its purchasing association Connect. Connect combines the demand of numerous pharmacies, which then receive purchasing advantages with the pharmaceutical industry. About 60 pharmacies are already taking part in Connect. There will soon be as many again.

### **Branch structure in France improved**

By improving its range of services and adapting the branch structure OCP, Celesio's French wholesaler, is equipping itself for the future. Branches have been closed and modern branches freshly constructed in more easily accessible locations. In Roissy near Paris a new branch has been built where medicines which are infrequently needed are stored centrally. In this way, these medicines can be delivered in the shortest possible time, while reducing the costs of the other OCP-branches.

### **Successful entry into Denmark**

In the third quarter of 2006 both acquisitions in Denmark were consolidated for the first time. At the end of June 2006 the competition authorities approved the complete takeover of the pharmaceutical wholesaler Max Jenne. The supervisory authority also gave the go-ahead for the acquisition of the controlling majority of the pharmaceutical wholesaler and service provider K.V. Tjellesen. Celesio is now the second largest pharmaceutical wholesaler in Denmark and supplies the market with all it needs: Max Jenne primarily supplies pharmacies in the west of the country, K.V. Tjellesen in the east. The future close cooperation between these two pharmaceutical wholesalers will allow the realisation of synergies – for the benefit of their customers.



Celesio Pharmacies

### 1<sup>st</sup> – 3<sup>rd</sup> quarter

Countries	Revenue 2005	<b>Revenue 2006</b>	Revenue change in euros	Revenue change in local currency	Number of pharmacies 2006
	in € m	<b>in € m</b>	in %	in %	
United Kingdom	1,476.7	<b>1,681.3</b>	13.9	13.8	1,549
Norway	263.6	<b>283.7</b>	7.6	6.6	129
Italy	151.8	<b>153.6</b>	1.2	1.2	162
Netherlands	85.8	<b>110.2</b>	28.5	28.5	57
Ireland	81.5	<b>87.3</b>	7.2	7.2	59
Belgium	61.5	<b>71.4</b>	16.0	16.0	91
Czech Republic	27.9	<b>26.4</b>	-5.5	-10.3	43
<b>Total</b>	<b>2,148.8</b>	<b>2,413.9</b>	<b>12.3</b>	<b>12.1</b>	<b>2,090</b>

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Optimum care in everything  
to do with health**



## Celesio Pharmacies

**In the pharmacy business revenue growth was driven by the increase in demand and the British chain of 110 pharmacies acquired at the end of 2005. Further acquisitions and new openings have also strengthened growth. Profit before tax increased even more strongly than revenue. The figures show: Growth of Celesio Pharmacies is significant and sustainable.**

### Marked increase in revenue, profit grows even stronger

In the first nine months of this year the Celesio Pharmacies division grew ahead of the market. Revenue increased by 12.3 percent (12.1 percent in local currency) to 2,413.9 million euros. Adjusted to take account of acquisitions, new openings and disposals of pharmacies, revenue increased by 3.8 percent (3.7 percent in local currency).

Lloydspharmacy in the United Kingdom grew significantly. Thanks in part to the 110 Cohens and Scholes pharmacies consolidated since 1 December 2005, the pharmacy chain increased the number of processed prescription items to over 90 million in the first three quarters. The high degree of service orientation also underpinned growth: Lloydspharmacy is at the forefront in the implementation of the new contractual frameworks between the National Health Service (NHS) and the English, Welsh and Scottish pharmacies.

### Celesio Pharmacies in the first three quarters

	2005		2006		Change in euros in %	Change in local currency in %
	in € m	in % of revenue	in € m	in % of revenue		
Revenue	2,148.8	100.00	<b>2,413.9</b>	<b>100.00</b>	12.3	12.1
Gross profit	730.6	34.00	<b>868.8</b>	<b>35.99</b>	18.9	18.7
EBITDA	238.0	11.08	<b>292.3</b>	<b>12.11</b>	22.8	22.6
EBIT	209.7	9.76	<b>260.6</b>	<b>10.79</b>	24.3	24.1
Profit before tax	161.8	7.53	<b>205.0</b>	<b>8.49</b>	26.7	26.5



**Celesio** Pharmacies

Lloydspharmacy is the first pharmacy chain to be accredited for the processing of electronic prescriptions as part of the Electronic Prescription Service (EPS). Lloydspharmacy leads in implementing new service opportunities which are opened up by these new contracts. For example, the agreement with the English and Welsh pharmacies, in force since April 2005, encourages qualified consultation of pharmacists with patients about their medication. In the first three quarters of 2006, Lloydspharmacy has already carried out over 110,000 of these Medicine Use Reviews (MURs). The Minor Ailment Service (MAS) was introduced with the new pharmacy contract in Scotland as of 1 July 2006. Patients who are exempt from prescription charges can register with a pharmacy and take advice direct from the pharmacist in the event of minor ailments. If necessary, the pharmacist can also write a prescription for the patient or refer them to a doctor. More than 70,000 patients have registered in one of the 163 Scottish Lloydspharmacy branches since the programme was launched.

Growth of Vitusapotek in Norway was above-average. The graduated pricing model introduced early last year by the government is being continued in 2006 and has increased the demand for generic products.

Gross profit of Celesio Pharmacies increased in the first nine months of this year by 18.9 percent (18.7 percent in local currency) to 868.8 million euros. The higher gross profit is attributed in particular to the increased share of generic products in the product mix and the expansion in services. The gross profit margin grew to 35.99 percent, 199 basis points more than in the previous year.

EBITDA improved by 22.8 percent (22.6 percent in local currency) to 292.3 million euros. Profit before tax increased to 205.0 million euros – growth of 26.7 percent (26.5 percent in local currency). Return on sales, based on profit before tax, increased by 96 basis points to 8.49 percent.

### **Persistent growth in a changed environment**

In the Netherlands the government, health insurers, pharmaceutical manufacturers and pharmacy association agreed to reduce the rise in the cost of medicines. This is also to be achieved by reducing the price of generic products. As anticipated, market growth slowed down in terms of value as a result. Also, since the beginning of 2006, there has been a reform in the health insurance system. All Dutch residents must take out a basic health insurance with defined content. This basic health insurance, as well as various additional insurances, are offered exclusively by private health insurance companies.

In Italy, price cuts dampened the market. In January and July 2006, the reimbursement prices for prescription medicines were reduced. In addition, as of July it is now also possible to sell non-prescription medicines in supermarkets under the supervision of pharmacists.

In Belgium, the government has fixed prescription quotas for low-priced medicines. Since then, the share of prescriptions for generic medicines has increased. In Ireland, the government has agreed a 20-percent price reduction with pharmaceutical manufacturers for unpatented prescription medicines from March 2007.

Part and parcel of Celesio's pharmacy business is also to find the right responses to government measures and the associated changes to the market environment. This is why Celesio Pharmacies is following intently the debate, which became more heated again in the third quarter, on the subject of a liberalisation of the pharmacy markets in countries not yet allowing a pharmacy chain. This debate was principally fuelled by the decision of a single German licensing authority to allow, for the first time in Germany, a legal entity to run a pharmacy. This decision has not yet been upheld in law, however.



**Celesio** Pharmacies

### **Highly qualified staff for satisfied customers**

Customer-orientation for Celesio Pharmacies means putting the health of customers first; Easing, healing and preventing illnesses. In the United Kingdom, Lloydspharmacy ran a TV campaign warning of the risks of high blood pressure. One in three Britons suffers from high blood pressure, which can only be identified by regular testing. It is for this reason that Lloydspharmacy has included automatic blood pressure monitors in its product range at particularly favourable prices – and already about 300,000 devices have been sold since the launch of the campaign at the end of August 2006.

In the summer of 2006 Lloydspharmacy, together with cancer research and patient organisations, highlighted the risk of cancer through inadequate sun protection in a large-scale campaign. Lloydspharmacy therefore only has suntan creams with a sun protection factor of 15 or higher on sale in its pharmacies. Suntan creams with a sun protection factor below this have been removed from the assortment.

In the United Kingdom Celesio Pharmacies won several awards for its achievements this year. Lloydspharmacy received the renowned Pharmaceutical Care Award for its care of asthma patients. Lloydspharmacy also won the Customer Service Initiative Award for its free diabetes tests. The prize acknowledges outstanding customer service.

In September this year Celesio Pharmacies helped organise a two-week campaign by the Norwegian heart and lung association. The aim of this campaign was to encourage people in Norway to be more active. Vitusapotek also sold pacemakers in all its pharmacies in support of this initiative.

Norwegians recognise Vitusapotek's commitment: According to an independent survey by the market researcher Norsk Gallup on how satisfied customers are with their pharmacy chain, Vitusapotek reached the highest scores.

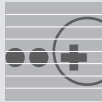
Commitment to health also means being located where patients can be provided with medicines quickly – in close proximity to the patient. This is why Celesio supports the development of health centres which accommodate doctors' practices, pharmacies and other health-care providers under one roof. In the first nine months of 2006, Celesio has been involved in the construction of twelve health centres.

### **Celesio's pharmacies: Modern and closer to the customer**

Celesio Pharmacies was operating 2,090 pharmacies in seven European countries on 30 September 2006. Its pharmacies portfolio is being expanded on an ongoing basis: In the first three quarters of 2006 Celesio acquired 57 pharmacies, opened six new ones, and sold or closed 18 pharmacies.

Celesio Pharmacies also grows as the result of acquisitions, an important element of the growth strategy. The 110 British pharmacies acquired in the fourth quarter of 2005 have now been integrated into the existing Lloydspharmacy network. Ireland, the Netherlands and Belgium still have room for further expansion: If the location and purchase price of pharmacies are right, Celesio will significantly expand its pharmacy presence in these three countries in particular.

Since 2005, the European Commission has demanded the ban on third-party and multiple ownership of pharmacies in Italy to be lifted and at the end of June 2006 decided to file a suit against Italy before the European Court of Justice. On 4 July, the new Italian government responded with a decree. The decree provides for deregulation of the Italian service sector and hence also the pharmacy industry. The requirements of the European Commission have still not been met, however. The European Commission has also formally requested Austria and Spain to change the national legal frameworks for the ownership and operation of pharmacies. How the countries involved react to the activities of the Commission remains to be seen.



Celesio Solutions

**1<sup>st</sup> – 3<sup>rd</sup> quarter**

Business unit	Gross profit 2005	<b>Gross profit 2006</b>	Gross profit change in euros	Gross profit change in local currency
	in € m	<b>in € m</b>	in %	in %
<b>Movianto*</b> (healthcare logistics and distribution)	91.8	<b>109.1</b>	18.8	18.7

\* Until March 2006 AVS Health Distribution

**Growth driver:  
Innovative services for  
the healthcare market**

## Celesio Solutions

**In the first nine months of 2006, Celesio Solutions made good progress with its business unit Movianto: New contracts and the first-time consolidation of the manufacturers' logistics division of K.V. Tjelleesen in Denmark made a positive contribution to growth. Celesio Solutions is building up a second pillar with a strategic cooperation with pharmexx, a leading international provider of sales and marketing solutions for pharmaceutical manufacturers. The division is therefore optimally positioned for the growing demand for all services relating to medicines.**

### **Movianto gross profit increases, first contribution to profit by pharmexx**

In the first three quarters of this year the business unit Movianto increased gross profit\* over the previous year by 18.8 percent (18.7 percent in local currency) to 109.1 million euros. Gross profit grew on a comparable basis by 1.3 percent (1.1 percent in local currency). In the first nine months of 2005, Movianto contributed 5.6 percent to the gross profit of the group; in 2006 it was already 6.0 percent.

EBITDA of Movianto fell in line with expectations by 5.0 percent (5.1 percent in local currency). Profit before tax showed a drop of 15.7 percent (15.8 percent in local currency). This development reflects the expenditure involved in building up and expanding the relatively young business unit. Increased depreciation and amortisation as well as the costs of financing acquisitions impacted on profit.

The profit from pharmexx attributable to Celesio was included in income from investments for the first time. The proportional operational profit exceeded the cost of financing.

\*For Movianto it is the absolute gross profit that is the measure of success rather than revenue, as customers generally pay on the basis of services rendered. Only in isolated cases is trading revenue involved. Gross profit is derived from total remuneration for services rendered and margins from trading revenue. Due to the particular structure of revenue, the gross profit ratio is not significant for the business unit Movianto.



Celesio Solutions

### Celesio Solutions in the first three quarters

	2005		2006		Change	Change
	in € m	in % of gross profit	in € m	in % of gross profit	in euros in %	in local currency in %
Gross profit	91.8	100.00	<b>109.1</b>	<b>100.00</b>	18.8	18.7
EBITDA	18.7	20.42	<b>17.9</b>	<b>16.33</b>	- 4.3	- 4.4
EBIT	14.6	15.95	<b>13.7</b>	<b>12.42</b>	- 6.6	- 6.7
Profit before tax	13.5	14.71	<b>11.5</b>	<b>10.43</b>	- 14.7	- 14.8

### An increasing market presence: The Movianto brand

Only renamed in March 2006, Celesio Solutions' first business unit is rapidly gaining in importance under the Movianto brand. The new, transnational contracts prove that Movianto's services are much in demand. With its warehousing, transportation and logistics services, Movianto helps pharmaceutical manufacturers to focus on their core competence of research and development. The world's ten largest pharmaceutical manufacturers are all customers of Movianto.

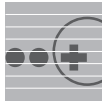
Movianto's services range from warehousing through to product-specific distribution – building on Celesio's many years experience in this sector. The pharmaceutical industry operates beyond national boundaries, and also demands this of its service partners. A European business model is borne with Movianto: With regional, national and multinational solutions all with uniform quality standards. To support this Movianto is building up central functions based on quality management, which is applicable throughout Europe, and combining the individual national activities under the umbrella brand Movianto.



On 15 September, Movianto's German subsidiary Sanalog celebrated its tenth anniversary – and on the same day changed its name to Movianto Deutschland. This renaming underlines its connection with the European Movianto group, which combines the expertise of the local markets with an efficient, transnational supply chain.

In Denmark, the integration of the new holding is making good progress: The manufacturers' logistics division of K.V. Tjellesen adds an important pillar to the European Movianto network in Scandinavia.

At the end of September 2006, Movianto had a workforce of 1,521 employees in Europe and a warehousing capacity in excess of 150,000 square metres.



Celesio Solutions

### **Pharmexx cooperation opens up new market opportunities**

Since the middle of 2006, Celesio, together with pharmexx, has been involved in the field of sales and marketing support. In this sector pharmexx is, with its more than 3.500 employees, the largest company in Europe and one of the market leaders worldwide. pharmexx provides pharmaceutical manufacturers with qualified sales representatives for a limited period or a specific project. The company has an excellent reputation in this sector and is developing very well. The number of field staff should increase to more than 4,500 worldwide by the end of the year. The pharmexx network, already encompassing 17 European countries, is to be extended inside and outside Europe. Celesio is convinced of the growth opportunities of pharmexx and has underpinned the strategic and operational alliance with pharmexx through a 30-percent holding.

The cooperation with pharmexx is being built up as the second pillar of Celesio Solutions after Movianto. Both business units demonstrate: There is plenty of growth potential for business models which offer innovative services in everything relating to medicines on a cross-national basis.

Yours sincerely  
Celesio AG

The management board

Vorstand:

Dr. Fritz Oesterle, Vorsitzender

Stefan Meister, stellvertretender Vorsitzender

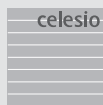
Wolfgang Mähr, Dr. Felix A. Zimmermann

Aufsichtsrat:

Dr. Eckhard Cordes, Vorsitzender

Sitz:

Stuttgart, AG Stuttgart, HRB 9517



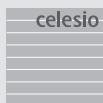
Celesio Group

## Interim statements

### Income statement 1<sup>st</sup> – 3<sup>rd</sup> quarter

	3 <sup>rd</sup> quarter		1 <sup>st</sup> – 3 <sup>rd</sup> quarter	
	2005 € m	2006 € m	2005 € m	2006 € m
<b>Revenue</b>	<b>5,060.5</b>	<b>5,315.7</b>	<b>15,139.4</b>	<b>15,946.7</b>
Own work capitalised	0.1	0.7	4.0	2.1
<b>Total operating performance</b>	<b>5,060.6</b>	<b>5,316.4</b>	<b>15,143.4</b>	<b>15,948.8</b>
Cost of raw materials, consumables and supplies, and of purchased goods	4,510.9	4,706.8	13,512.5	14,149.1
<b>Gross profit</b>	<b>549.7</b>	<b>609.6</b>	<b>1,630.9</b>	<b>1,799.7</b>
Other income and expenses	- 102.8	- 122.0	- 312.5	- 365.0
Personnel expenses	260.8	283.7	774.7	845.7
Net income from investments	0.8	1.2	4.8	6.5
<b>EBITDA</b>	<b>186.9</b>	<b>205.1</b>	<b>548.5</b>	<b>595.5</b>
Amortisation of intangible assets and depreciation of property, plant and equipment	24.6	26.1	72.2	76.3
<b>EBIT</b>	<b>162.3</b>	<b>179.0</b>	<b>476.3</b>	<b>519.2</b>
Interest result	- 22.9	- 27.6	- 72.4	- 76.4
<b>Profit before tax</b>	<b>139.4</b>	<b>151.4</b>	<b>403.9</b>	<b>442.8</b>
Income tax	42.0	43.4	86.8	128.0
<b>Net profit</b>	<b>97.4</b>	<b>108.0</b>	<b>317.1</b>	<b>314.8</b>
Profit attributable to minority interest	0.4	0.2	3.3	1.9
<b>Profit attributable to the shareholders of Celesio AG</b>	<b>97.0</b>	<b>107.8</b>	<b>313.8</b>	<b>312.9</b>
<b>Earnings per share – basic (€)*</b>	<b>0.57</b>	<b>0.63</b>	<b>1.85</b>	<b>1.84</b>
<b>Earnings per share – diluted (€)*</b>	<b>0.57</b>	<b>0.63</b>	<b>1.85</b>	<b>1.84</b>

\* Previous year adjusted to take account of share split 1:2



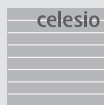
Celesio Group

**Balance sheet**

	31/12/2005 € m	30/09/2006 € m	
<b>Assets</b>	<b>Non-current assets</b>		
	Intangible assets	2,407.7	2,549.4
	Property, plant and equipment	598.2	611.3
	Financial assets	133.9	186.4
	Deferred tax assets	85.3	62.7
		<b>3,225.1</b>	<b>3,409.8</b>
	<b>Current assets</b>		
	Inventories	1,639.4	1,610.9
	Trade receivables	2,382.1	2,428.4
	Income tax receivables	45.1	64.9
	Other receivables and other assets	211.9	266.1
	Cash and cash equivalents	8.1	9.1
		4,286.6	4,379.4
<b>Total assets</b>	<b>7,511.7</b>	<b>7,789.2</b>	
<b>Equity and liabilities</b>	<b>Shareholders' equity</b>		
	Issued capital and reserves	2,276.1	2,489.7
	Minority interests	8.1	22.1
		<b>2,284.2</b>	<b>2,511.8</b>
	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	Financial liabilities	1,901.1	1,913.6
	Pension provisions	140.2	141.9
	Other non-current provisions	34.2	34.6
	Deferred tax liabilities	34.5	48.7
		<b>2,110.0</b>	<b>2,138.8</b>
	<b>Current liabilities</b>		
	Financial liabilities	167.8	201.6
Trade payables	2,189.4	2,162.2	
Other current provisions	151.1	134.7	
Income tax liabilities	142.2	148.8	
Other liabilities	467.0	491.3	
	3,117.5	3,138.6	
<b>Total equity and liabilities</b>	<b>7,511.7</b>	<b>7,789.2</b>	

### Cash flow statement 1<sup>st</sup> – 3<sup>rd</sup> quarter

	2005 € m	2006 € m
<b>Net profit</b>	<b>317.1</b>	<b>314.8</b>
Depreciation and amortisation/write-up of property, plant and equipment and intangible assets	72.0	76.3
Net result from disposals of non-current assets	- 4.6	- 3.8
Non-cash changes in net working capital	15.6	41.2
Other non-cash income and expenses	0.0	2.6
<b>Cash flow</b>	<b>400.1</b>	<b>431.1</b>
Change in operating assets	- 20.3	74.7
Change in operating liabilities	- 44.3	- 113.1
<b>Net cash flow from operating activities</b>	<b>335.5</b>	<b>392.7</b>
Proceeds from the disposal of non-current assets	19.4	18.0
Investment in non-current assets	- 93.8	- 146.9
Proceeds from the disposals of subsidiaries	1.8	4.2
Cash paid for acquisitions of subsidiaries	- 204.1	- 129.9
<b>Net cash flow from investing activities</b>	<b>- 276.6</b>	<b>- 254.6</b>
Payment to shareholders	- 103.4	- 120.3
Proceeds from borrowings	889.2	219.5
Repayment of borrowings	- 852.2	- 236.3
<b>Net cash flow from financing activities</b>	<b>- 66.4</b>	<b>- 137.1</b>
<b>Net change in cash and cash equivalents</b>	<b>- 7.6</b>	<b>1.0</b>
Net foreign exchange difference	0.2	0.0
Cash and cash equivalents at the beginning of the period	15.2	8.1
<b>Cash and cash equivalents at the end of the period</b>	<b>7.8</b>	<b>9.1</b>



Celesio Group

## Statement of shareholders' equity

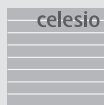
	Issued capital	Capital reserves	Revenue reserves
	€ m	€ m	€ m
<b>01/01/2006</b>	<b>217.7</b>	<b>1,113.0</b>	<b>845.5</b>
Dividends	0.0	0.0	- 119.1
Currency adjustments	0.0	0.0	0.0
Net profit	0.0	0.0	312.9
Revaluation of financial instruments	0.0	0.0	0.0
Changes to consolidated group/others	0.0	0.0	0.2
<b>30/09/2006</b>	<b>217.7</b>	<b>1,113.0</b>	<b>1,039.5</b>
<b>01/01/2005</b>	<b>217.7</b>	<b>1,113.0</b>	<b>525.8</b>
Dividends	0.0	0.0	- 102.1
Currency adjustments	0.0	0.0	0.0
Net profit	0.0	0.0	313.8
Revaluation of financial instruments	0.0	0.0	0.0
Changes to consolidated group/others	0.0	0.0	0.3
<b>30/09/2005</b>	<b>217.7</b>	<b>1,113.0</b>	<b>737.8</b>

## Segment reporting 1<sup>st</sup> – 3<sup>rd</sup> quarter

	Wholesale		Pharmacies	
	2005 € m	2006 € m	2005 € m	2006 € m
<b>Revenue</b>	<b>12,577.8</b>	<b>12,959.4</b>	<b>2,149.4</b>	<b>2,413.9</b>
External revenue	12,576.0	12,959.4	2,148.8	2,413.9
Inter-segment revenue	1.8	0.0	0.6	0.0
<b>EBITDA</b>	<b>322.6</b>	<b>320.6</b>	<b>238.0</b>	<b>292.3</b>
<b>Segment profit from operations</b>	<b>284.1</b>	<b>281.2</b>	<b>209.6</b>	<b>260.5</b>
Income from associates accounted for using the equity method	0.6	1.1	0.1	0.1
<b>EBIT</b>	<b>284.7</b>	<b>282.3</b>	<b>209.7</b>	<b>260.6</b>

	Revaluation reserves		Shareholders of Celesio AG	Minority interests	Shareholders' equity
	Translation reserves	Other comprehen- sive income			
	€ m	€ m			
	<b>88.5</b>	<b>11.4</b>	<b>2,276.1</b>	<b>8.1</b>	<b>2,284.2</b>
	0.0	0.0	- 119.1	- 1.2	- 120.3
	7.0	0.1	7.1	0.0	7.1
	0.0	0.0	312.9	1.9	314.8
	0.0	12.5	12.5	- 0.1	12.4
	0.0	0.0	0.2	13.4	13.6
	<b>95.5</b>	<b>24.0</b>	<b>2,489.7</b>	<b>22.1</b>	<b>2,511.8</b>
	<b>73.2</b>	<b>16.5</b>	<b>1,946.2</b>	<b>5.7</b>	<b>1,951.9</b>
	0.0	0.0	- 102.1	- 1.3	- 103.4
	22.4	0.6	23.0	0.0	23.0
	0.0	0.0	313.8	3.3	317.1
	0.0	- 4.9	- 4.9	0.0	- 4.9
	0.0	0.0	0.3	1.0	1.3
	<b>95.6</b>	<b>12.2</b>	<b>2,176.3</b>	<b>8.7</b>	<b>2,185.0</b>

	Solutions		Others		Consolidation		Group	
	2005	<b>2006</b>	2005	<b>2006</b>	2005	<b>2006</b>	2005	<b>2006</b>
	€ m	€ m	€ m	€ m	€ m	€ m	€ m	€ m
	<b>554.7</b>	<b>776.3</b>	<b>0.0</b>	<b>0.0</b>	<b>- 142.5</b>	<b>- 202.9</b>	<b>15,139.4</b>	<b>15,946.7</b>
	414.6	573.4	0.0	0.0	0.0	0.0	15,139.4	15,946.7
	140.1	202.9	0.0	0.0	- 142.5	- 202.9	0.0	0.0
	<b>18.7</b>	<b>17.9</b>	<b>- 30.8</b>	<b>- 35.3</b>	<b>0.0</b>	<b>0.0</b>	<b>548.5</b>	<b>595.5</b>
	<b>14.6</b>	<b>13.6</b>	<b>- 32.7</b>	<b>- 37.4</b>	<b>0.0</b>	<b>0.0</b>	<b>475.6</b>	<b>517.9</b>
	0.0	0.1	0.0	0.0	0.0	0.0	0.7	1.3
	<b>14.6</b>	<b>13.7</b>	<b>- 32.7</b>	<b>- 37.4</b>	<b>0.0</b>	<b>0.0</b>	<b>476.3</b>	<b>519.2</b>



Celesio Group

## Notes

### Accounting principles and valuation policies

The consolidated interim statements for Celesio AG for the third quarter of 2006 have been drawn up on the basis of the International Accounting Standard (IAS) 34. In so doing, all relevant International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London and all interpretations of the International Financial Reporting Interpretation Committee (IFRIC) as of 30 September 2006 were taken into account. The accounting standards applied to prepare the interim statements largely correspond to those that were applied for the consolidated financial statements for the year ended 31 December 2005. The interim statements are therefore to be read in conjunction with the consolidated financial statements of Celesio AG for the 2005 fiscal year. The standards and interpretations that were legally required to be applied as of 1 January 2006 did not have any significant effect on the Interim statements.

### Consolidated group

In the first three quarters of 2006, numerous pharmacies – mainly in the United Kingdom – were consolidated for the first time in the Celesio Pharmacies division. In addition, K.V. Tjellesen was included in the Celesio Wholesale division and Celesio Solutions and Max Jenne (both Denmark) in the Celesio Wholesale division for the first time with effect from 1 July 2006.

The inclusion of these companies for the first time does not affect comparability with the previous year.

### Employees

At the end of the third quarter of 2006, Celesio employed 36,052 members of staff (head count) compared with 34,163 in the previous year.



## **Notes to the segment reporting**

Segmentation at Celesio has been performed in line with IAS 14. It is based on the internal organisational and reporting structures of the company. The same accounting standards are used as those employed for the group.

The internal organisation and reporting structure of Celesio is based on the business divisions Wholesale, Pharmacies, Solutions and Others. The Wholesale division includes the wholesale activities of Celesio with third-party customers. The Pharmacies division represents all activities related to the provision of services in Celesio's pharmacies. This covers the entire logistics chain from purchasing goods from the manufacturer to their delivery to the end consumer. The Solutions division comprises the provision of logistics services for pharmaceutical manufacturers within the Movianto business unit as well as the strategic cooperation with pharmexx. The activities of the group's parent company Celesio AG and other non-operational companies are posted to Others. The consolidation measures between the business divisions are shown separately. The operational segment profit in accordance with IAS 14 corresponds to the EBIT without taking into account the income from associates accounted for using the equity method.

As of 1 January 2006, the activities of the holding of the business unit Movianto are shown in the Solutions division. Previously the relevant segment profit, assets and liabilities were included under Others. The previous year's figures have been adjusted accordingly.



**Celesio** Group

## Addresses and contacts

Celesio AG  
 Neckartalstrasse 155  
 70376 Stuttgart  
 Germany  
 Telephone +49(0)7 11.50 01-00 (switchboard)  
 Telefax +49(0)7 11.50 01-12 60  
 E-mail [service@celesio.com](mailto:service@celesio.com)  
 Website [www.celesio.com](http://www.celesio.com)

### For shareholders information:

Nicole Herold  
 Head of Corporate Investor Relations  
 Telephone +49(0)7 11.50 01-7 35  
 Telefax +49(0)7 11.50 01-7 36  
 E-mail [investor@celesio.com](mailto:investor@celesio.com)

### To request publications and for questions on corporate communications:

Dr Ruth Kappel  
 Corporate Communications Director  
 Telephone +49(0)7 11.50 01-11 92  
 Telefax +49(0)7 11.50 01-12 60  
 E-mail [service@celesio.com](mailto:service@celesio.com)

## Websites

### Celesio AG and companies in the Celesio Group:

[www.celesio.com](http://www.celesio.com)

### Celesio Wholesale:

France	<a href="http://www.ocp.fr">www.ocp.fr</a>
Germany	<a href="http://www.gehe.de">www.gehe.de</a>
United Kingdom	<a href="http://www.aah.com">www.aah.com</a>
Austria	<a href="http://www.herba-chemosan.at">www.herba-chemosan.at</a>
Denmark	<a href="http://www.maxjenne.dk">www.maxjenne.dk</a> <a href="http://www.tjellesen.dk">www.tjellesen.dk</a>
Belgium	<a href="http://www.pharmabelgium.be">www.pharmabelgium.be</a>
Norway	<a href="http://www.nmd.no">www.nmd.no</a>
Slovenia	<a href="http://www.kemfarm.si">www.kemfarm.si</a>
Czech Republic	<a href="http://www.gehe.cz">www.gehe.cz</a>

### Celesio Pharmacies:

United Kingdom	<a href="http://www.lloydspharmacy.co.uk">www.lloydspharmacy.co.uk</a> <a href="http://www.johnbellcroyden.co.uk">www.johnbellcroyden.co.uk</a>
Norway	<a href="http://www.vitusapotek.no">www.vitusapotek.no</a>
Italy	<a href="http://www.admentaitalia.it">www.admentaitalia.it</a>
Ireland	<a href="http://www.unicarepharmacy.ie">www.unicarepharmacy.ie</a>
Netherlands	<a href="http://www.lloydsapotheek.nl">www.lloydsapotheek.nl</a>
Belgium	<a href="http://www.lloydspharma.be">www.lloydspharma.be</a>
Czech Republic	<a href="http://www.lekarnylloyds.cz">www.lekarnylloyds.cz</a>

### Celesio Solutions:

Movianto	<a href="http://www.movianto.com">www.movianto.com</a>
pharmexx	<a href="http://www.pharmexx.com">www.pharmexx.com</a>

### Celesio Wholesale offers access-protected business-to-business solutions for pharmacies:

France	<a href="http://www.ocp.fr">www.ocp.fr</a>
Germany	<a href="http://www.gehe-point.de">www.gehe-point.de</a>
United Kingdom	<a href="http://www.aah-point.com">www.aah-point.com</a>
Austria	<a href="http://www.herba-point.at">www.herba-point.at</a>
Norway	FarmaLink (cannot be accessed by the public)
Italy	<a href="http://www.afmpoint.it">www.afmpoint.it</a>

## Information on Celesio shares\*

ISIN Code _____	DE000CLS1001
Securities ID No. _____	CLS 100
German Stock Exchange Code _____	CLS1
Reuters Code _____	CLSGn
Bloomberg Code _____	CLS1 GR

\* Effective from 24 July 2006 after conversion to registered shares and share split.

Number of shares outstanding: 170.1 million.

## Investors calendar\*

Balance sheet press conference, Stuttgart _____	16 March 2006
Celesio analysts and investors conference, Amsterdam _____	20 March 2006
International Bankers Day, Amsterdam _____	21 March 2006
Roadshow Frankfurt _____	30 March 2006
Annual general meeting 2006, Stuttgart _____	27 April 2006
Dividend payment _____	28 April 2006
Interim report, 1 <sup>st</sup> quarter 2006 _____	10 May 2006
Stuttgarter Aktienforum, Stuttgart _____	18 May 2006
Investment conference (Deutsche Bank), Frankfurt _____	31 May 2006
Roadshow Helsinki, Copenhagen _____	23 – 24 May 2006
Roadshow Dublin _____	29 June 2006
Roadshow Luxembourg _____	4 July 2006
Roadshow London _____	11 – 12 July 2006
Switch to registered shares and share split _____	24 July 2006
Interim report, 1 <sup>st</sup> half-year 2006 _____	9 August 2006
Investment conference (Merrill Lynch), London _____	21 September 2006
Roadshow London _____	22 September 2006
Investment conference (Hypovereinsbank), Munich _____	27 September 2006
Information event for private shareholders, Munich _____	11 October 2006
Roadshow USA _____	17 – 19 October 2006
Interim report, 1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2006 _____	13 November 2006
Investment conference (West LB), Frankfurt _____	16 November 2006
Balance sheet press conference, Stuttgart _____	15 March 2007
Celesio analysts and investors conference, Dresden _____	19 March 2007
International Bankers Day, Dresden _____	20 March 2007
Annual general meeting 2007, Stuttgart _____	26 April 2007

\* Subject to change

The latest information on the investors calendar can be found on [www.celesio.com](http://www.celesio.com).

Celesio AG  
Neckartalstrasse 155  
70376 Stuttgart  
Germany  
Telephone + 49(0)711.50 01-00 (switchboard)  
Telefax + 49(0)711.50 01-12 60  
E-mail [service@celesio.com](mailto:service@celesio.com)  
Internet [www.celesio.com](http://www.celesio.com)

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the healthcare group