



# Celesio Annual General Meeting

Stuttgart, 15 July 2014

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celesio

# A new era for Celesio

- We are opening up new markets
- We are developing an even better range of services for our customers
- We are daring to try out innovations
- We are pooling our strengths with McKesson



# Business combination with McKesson

- All options have been thoroughly examined
- We are convinced that this offers clear benefits for everyone involved
- A takeover geared towards growth



# Strategic initiatives are gaining momentum

- Our new pharmacy concept has been introduced in more than 100 pharmacies
- Our innovative goods management system is in use in over 1,000 pharmacies
- The pooling of our purchasing activities is delivering results
- Fixed costs have significantly reduced

**Celesio is on the verge of a new era**

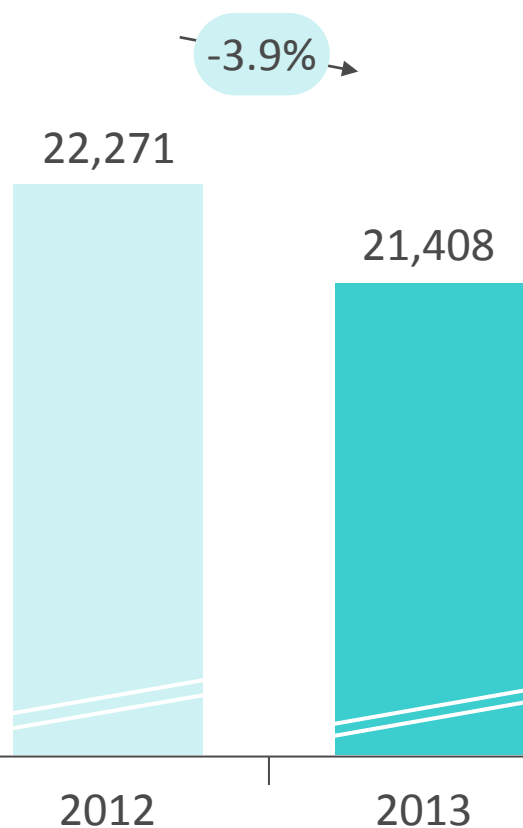
# The quantitative balance sheet: market environment in 2013

- Prolonged, irrational discount competition in Germany
- Negative currency effects
- Cost-cutting in public healthcare systems

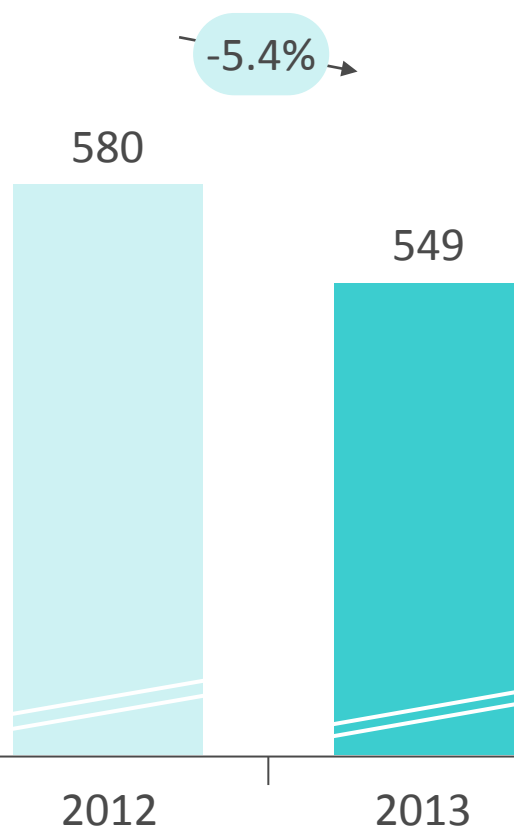


# Key figures of the Celesio Group for 2013

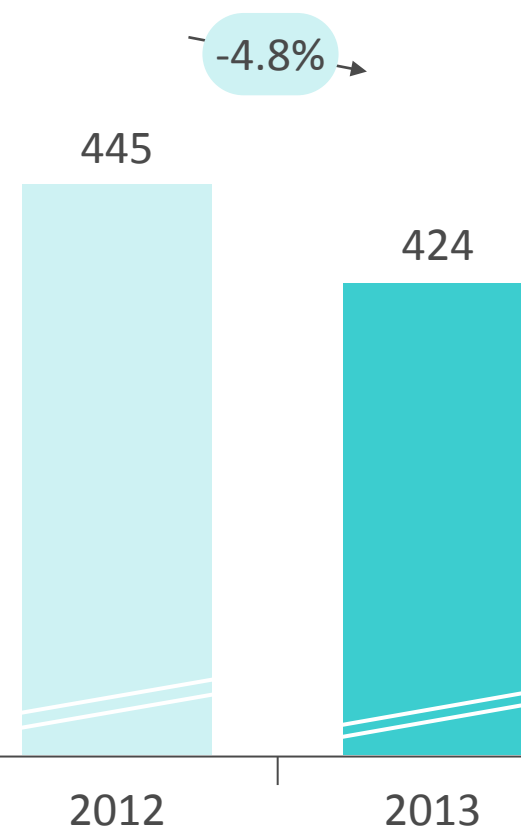
Revenue (EUR m)



EBITDA <sup>1)2)</sup> adjusted (EUR m)



EBIT <sup>1)2)3)</sup> adjusted (EUR m)



1) Adjusted for special effects from defined non-recurring expenses and income (including tax effect)

2) Adjusted in 2012 for special effects from revaluations in accordance with IFRS 5 and adjusted for deconsolidation effects in 2013 (including tax effect)

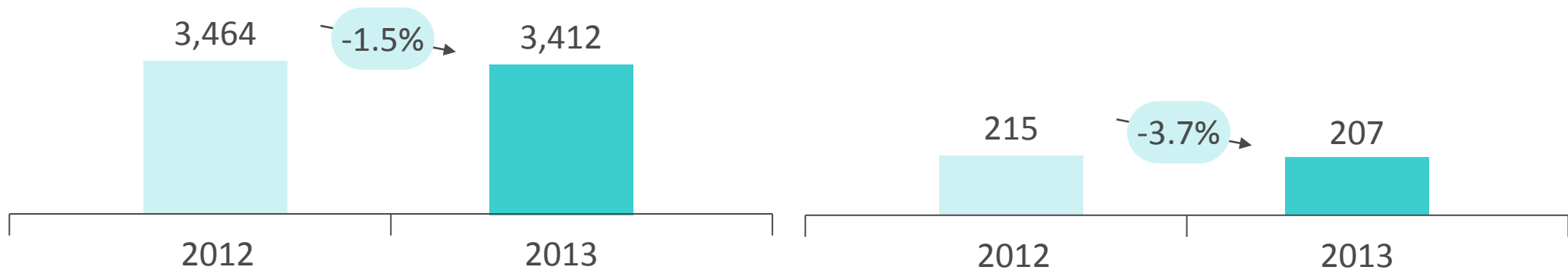
3) Adjusted in 2012 for impairment losses from non-current assets (including tax effect).

# Business performance in the divisions in 2013

## Consumer Solutions

Revenue adjusted (EUR m)

EBIT <sup>1)</sup> adjusted (EUR m)



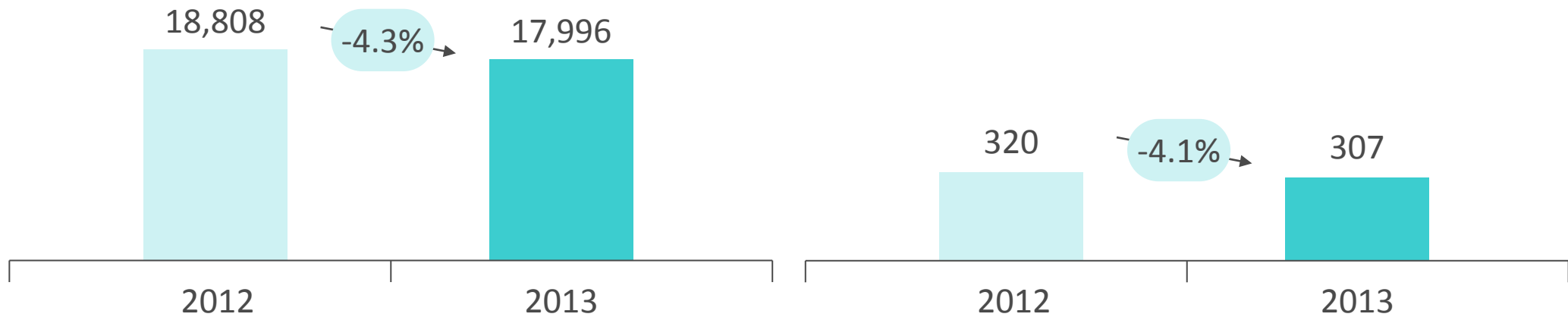
1) Adjusted for non-recurring expenses and income from the Operational Excellence Program

# Business performance in the divisions in 2013

## Pharmacy Solutions

Revenue (EUR m)

EBIT <sup>1)</sup> adjusted (EUR m)



1) Adjusted for non-recurring expenses and income from the Operational Excellence Programme



# Key financial figures

## A sound financial basis

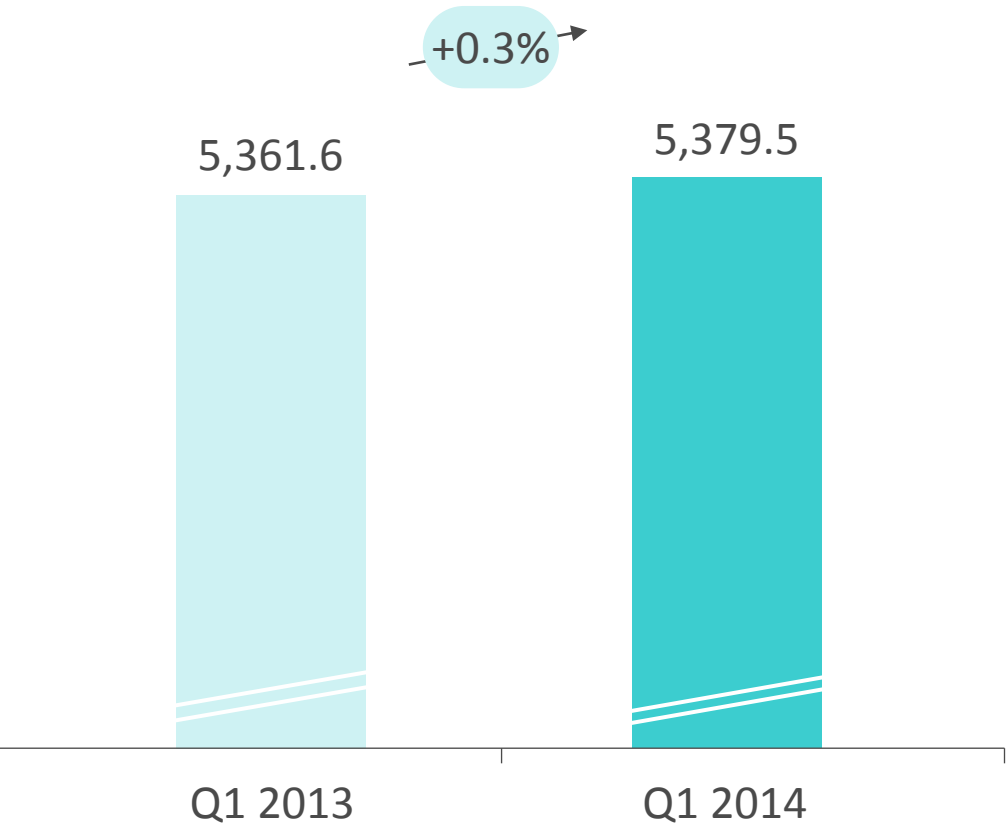
	2012 <sup>1</sup>	2013 <sup>1</sup>
Net financial debt (EUR m)	1,559.0	1,363.4
Net working capital (EUR m)	1,353.1	1,295.9
Net financial debt/EBITDA <sup>2)</sup>	2.7	2.5
Equity ratio (%)	27.7	28.8
Adjusted earnings per share	1.14	1.06

1) P&L-KPIs for continued operations only and excl. investment result; including IAS 19 pensions' effect.

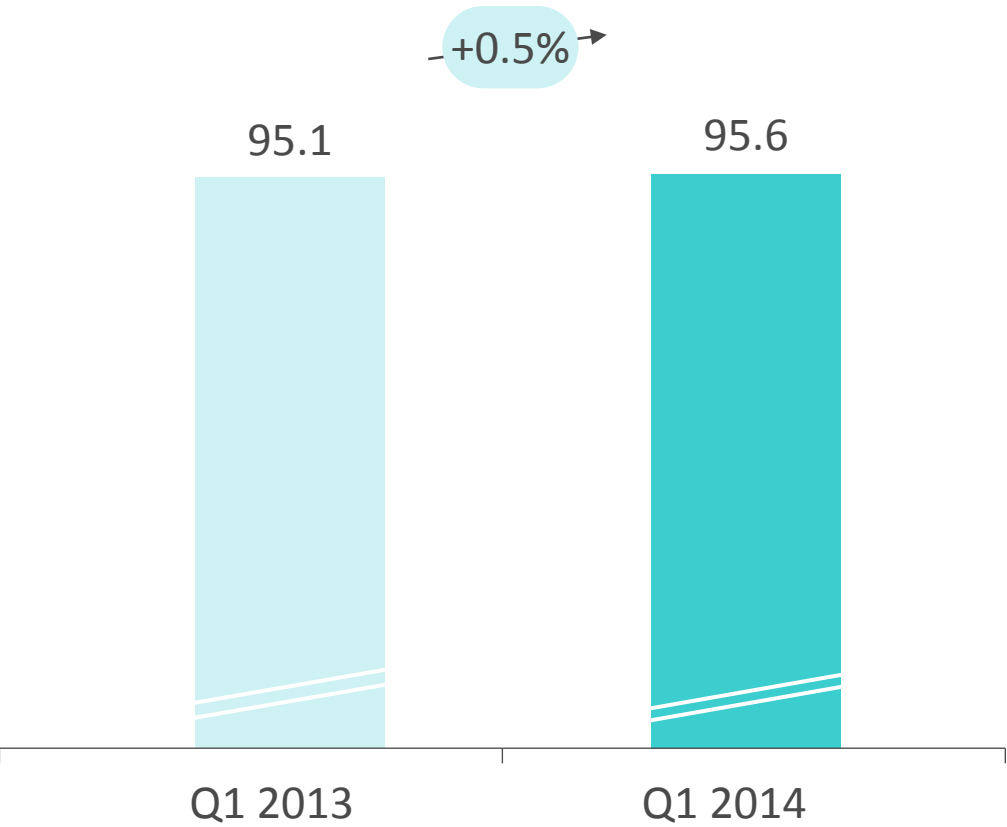
2) The figures presented are adjusted for special effects from non-recurring expenses and income, special effects from revaluations pursuant to IFRS 5 (2012) as well as deconsolidation effects and impairment losses recognised on non-current assets (2013).

# 1st quarter of 2014 on schedule

Revenue (EUR m)



EBIT <sup>1)</sup> adjusted (EUR m)



(1) Adjusted for special effects from defined non-recurring expenses and income (including tax effect)

# Growth drivers for Celesio

- Demographic change
- Rising number of people with chronic illnesses
- Increasing awareness of health
- New medicines for complex diseases
- Growing demand for high-quality services



# Strategic initiatives

- New pharmacy concept
  - Own pharmacies and franchise pharmacies under the Lloyds brand name
  - Partnership model with long-established brand names
- Optimisation of the supply chain between manufacturers and pharmacies
  - Improved goods management and stock keeping
  - Closer cooperation with manufacturers and exclusive agreements
- Pooling of purchasing activities

# Boosted by the business combination with McKesson

- McKesson is a highly regarded and successful company
- Industry becoming increasingly global in terms of manufacturing and distribution
- Celesio and McKesson are exceptionally well suited to each other:
  - Both companies are around 180 years old
  - Both companies share the same values and the same innovative spirit
  - The two companies complement each other perfectly in terms of regional positioning
- This provides the ideal basis for successful cooperation

## Comments on agenda items 8-10

# Final remarks

- Domination and profit and loss transfer agreement: the basis for further growth
- Celesio is on course for a successful future





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