



Ad hoc release

STADA dividend to rise by 15% after good preliminary results 2007

Today, on March 6, 2008, the Executive Board of STADA Arzneimittel AG decided in an Executive Board meeting to recommend a dividend increase for the fiscal year 2007 of 15% to EUR 0.71 per STADA share to the Annual Shareholders' Meeting on June 10, 2008. For the fiscal year 2006, STADA had paid a dividend of EUR 0.62 per share.

The increased dividend proposal is based on the good **preliminary results for fiscal year 2007**.

Accordingly, **sales** in the reporting period grew by approx. 26% to approx. EUR 1.57 billion (previous year: EUR 1.25 billion) – and thus for the twelfth time in a row. Once again, the clear growth of the international business activities made particularly significant contributions to this. With a sales increase in 2007 of approx. 30% to approx. EUR 990.7 million (previous year: EUR 763.2 million) international business' share of Group sales now amounts to approx. 63% (previous year: 61%).

In earnings, too, STADA was able to achieve record highs in the history of the company for the twelfth year in a row.

Net income recorded growth in 2007 of approx. 14% to approx. EUR 105.1 million (previous year: EUR 91.8 million). Total dividend payments of approx. EUR 41.6

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million (previous year: EUR 36.0 million) proposed by the Executive Board today would thus be equivalent to a **distribution ratio** of approx. 40%.

By deducting one-time special effects, **adjusted net income** in 2007 rose to approx. EUR 146.8 million (previous year: EUR 102.1 million) and was thus 44% higher than the adjusted net income of the previous year.

The earnings growth achieved in the STADA Group in 2007 can also be seen in the further preliminary key earnings figures which have all risen to new record levels, in particular also when the key figures adjusted for one-time special effects are considered.

Thus, according to the preliminary figures for fiscal year 2007, **operating profit** rose by approx. 19% to approx. EUR 215.5 million (previous year: EUR 180.5 million), **adjusted operating profit** was up by approx. 33% to approx. EUR 248.8 million (previous year: EUR 186.4 million), **earnings before interest, taxes, depreciation and amortization (EBITDA)** increased by approx. 24% to approx. EUR 289.5 million (previous year: EUR 232.6 million), **adjusted earnings before interest, taxes, depreciation and amortization** rose by approx. 35% to approx. EUR 315.7 million (previous year: EUR 233.0 million), **earnings before interest and taxes (EBIT)** went up by approx. 11% to approx. EUR 187.8 million (previous year: EUR 168.7 million), **adjusted earnings before interest and taxes** rose by approx. 34% to approx. EUR 249.2 million (previous year: EUR 186.7 million), **earnings before taxes (EBT)** increased by approx. 4% to approx. EUR 150.7 million (previous year: EUR 145.2 million), **adjusted earnings before taxes** increased by approx. 30% to approx. EUR 212.1 million (previous year: EUR 163.2 million). **Earnings per share** rose – taking into consideration that the

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average number of shares increased in 2007 by 8% to 58,315,643 shares (previous year: 53,983,327 shares) due to the exercise of options – by approx. 6% to approx. EUR 1.80 (previous year: EUR 1.70), **adjusted earnings per share** rose to approx. EUR 2.52 (previous year: EUR 1.89). **Diluted earnings per share** went up to approx. EUR 1.74 (previous year: EUR 1.62), **adjusted diluted earnings per share** increased to approx. EUR 2.42 (previous year: EUR 1.81).

The adjusted one-time special effects from 2007 for above mentioned key earnings figures can be divided up as follows:

- A burden in the total amount of approx. EUR 28.1 million before taxes (presented below operating profit in accordance with IAS 19) or approx. EUR 17.9 million after taxes resulted from the restructuring measures in the German STADA generics sales force. The final burden was thus slightly below what was expected at the beginning of the restructuring measures (see ad hoc release of the company from September 28, 2007).
- A burden in the amount of approx. EUR 35.3 million before taxes or approx. EUR 26.1 million after taxes resulted from unscheduled depreciation on intangible assets and financial assets.
- A burden in the amount of approx. EUR 6.2 million before taxes or approx. EUR 3.9 million after taxes was based on one-time costs for acquisitions planned and/or carried out.
- A relief in the total amount of approx. EUR 5.8 million before taxes or approx. EUR 5.0 million after taxes resulted from book gains from disposals.
- A relief in the net amount of approx. EUR 2.3 million before taxes or approx. EUR 1.4 million after taxes is based on additional earnings and costs with one-time or outside of the accounting period character.



Overall, one-time special effects in fiscal year 2007 amounted to an expected net burden of approx. EUR 61.5 million before taxes or approx. EUR 41.6 million after taxes; the one-time special effects from fiscal year 2006 had led at that time to a net burden in the total amount of EUR 18.0 million before taxes or EUR 10.3 million after taxes.

At today's meeting, the Executive Board also decided to confirm the previous positive **outlook** in the Annual Report for 2007.

Indeed, in individual national markets significant regulatory interventions, intensive competition and significant margin pressure will always occur. With a view to the strategic focus on growth markets and the proven operative strengths of the Group, however, the Executive Board expects, from today's perspective, that STADA will also continue to be able in the future to achieve a sustained operative growth in a challenging environment and thereby be able to continue the successful growth course of the Group in the years to come.

STADA's final business results for 2007 will be published on March 27, 2008.

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