



2003 Full year financials

Conference call, 3 March 2004

Operational highlights 2003

- **Pharmaceutical sales up 5.5%, excluding non-recurring 2002 revenue from U.S. lercanidipine**
- **20 mg strength of lercanidipine launched in Germany, France and Australia**
- **Lercanidipine sales up 19.5%, excluding non-recurring 2002 revenue from the U.S.**
- **New products in Italy, France and Spain**
- **Pharmaceutical sales increase by 9.5% in Italy and by 5.8% in France**
- **Decision taken to reorganize and eventually dispose of the pharmaceutical chemicals business**

Composition of sales

(million euro)	2002	2003	Change %
PHARMACEUTICALS	414.4 84.1%	424.0 87.0%	2.3%
<i>PHARMACEUTICALS (excluding U.S. revenue from lercanidipine in 2002)</i>	<i>401.9</i>	<i>424.0</i>	<i>5.5%</i>
PHARMACEUTICAL CHEMICALS	78.4 15.9%	63.5 13.0%	(19.0)%
TOTAL	492.7 100.0%	487.5 100.0%	(1.1)%
ITALY	195.4 39.7%	211.6 43.4%	8.3%
INTERNATIONAL	297.3 60.3%	276.0 56.6%	(7.2)%



Sources of growth

(% change, full year 2003 over full year 2002)	Volume	Price	Exchange	Total
PHARMACEUTICALS	6.5 %	(3.6) %	(0.6) %	2.3 %
<i>PHARMACEUTICALS (excluding U.S. revenue from lercanidipine in 2002)</i>	9.8 %	(3.7) %	(0.7) %	5.5%
PHARMACEUTICAL CHEMICALS	(7.7) %	(3.1) %	(8.2) %	(19.0) %
TOTAL GROWTH	4.4 %	(3.6) %	(1.9) %	(1.1) %



Composition of pharmaceutical sales

(million euro)	2002	2003	Change %
Pharmaceuticals Italy	185.7 44.8%	203.4 48.0%	9.5%
Pharmaceuticals France	92.5 22.3%	97.9 23.1%	5.8%
Pharmaceuticals Spain	21.5 5.2%	21.0 5.0%	(2.0)%
International licensees	88.1 * 21.3%	76.0 17.9%	(13.6)%
Sophartex	26.6 6.4%	25.7 6.0%	(3.4)%
TOTAL PHARMACEUTICALS	414.4 100.0%	424.0 100.0%	2.3%

* Includes € 12.5 million revenue from Forest Laboratories

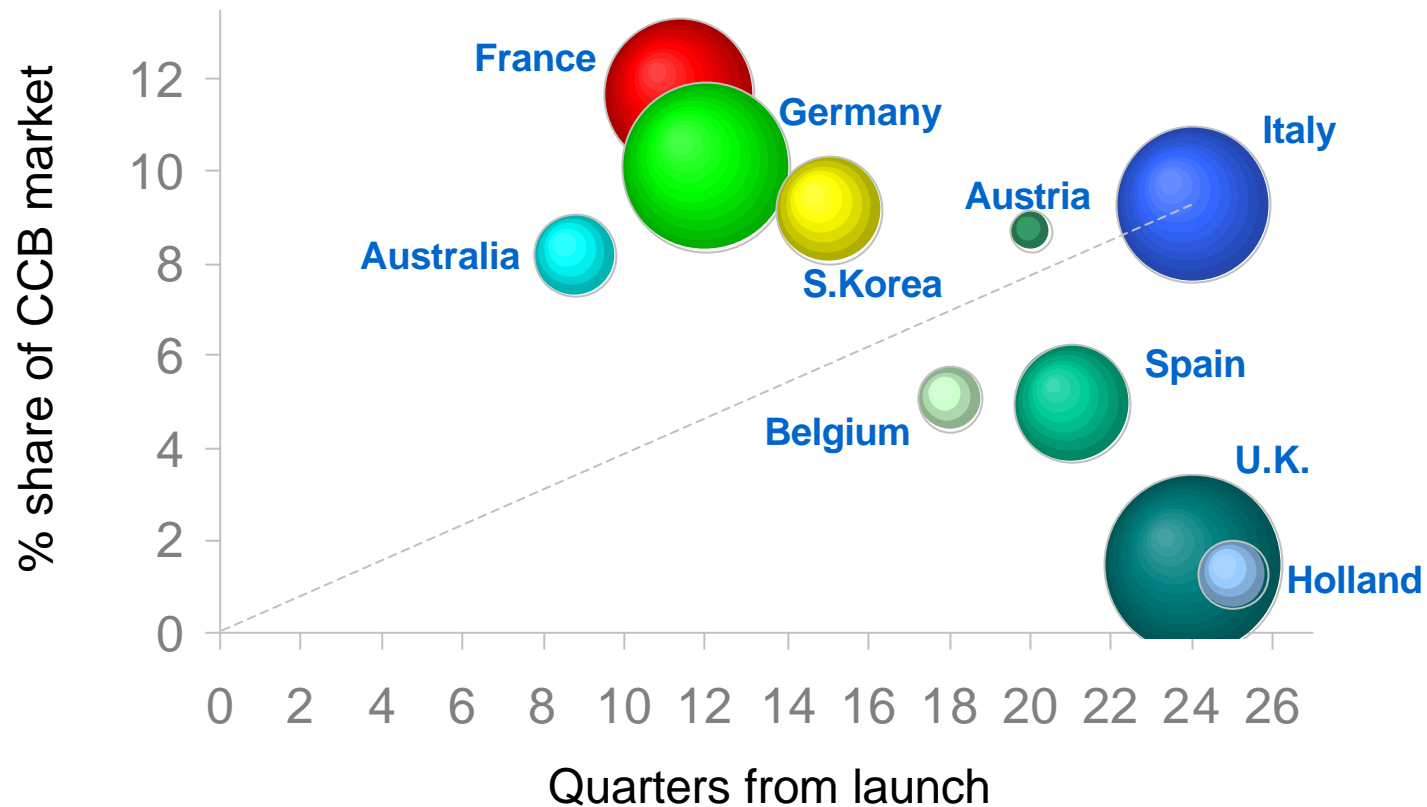
Lercanidipine sales

(million euro)	2002	2003	Change %
Italy	32.3	33.7	4.2%
France	9.4	15.7	68.3%
Spain	4.7	4.3	(8.6)%
DIRECT SALES	46.4 54.1%	53.7 58.7%	15.8%
SALES TO LICENSEES EXCLUDING THOSE TO FOREST LABS	30.2 35.3%	37.8 41.3%	25.1%
SALES TO FOREST LABS	9.1 10.6%	-	n.a.
TOTAL LERCANIDIPINE SALES	85.7 100.0%	91.5 100.0%	6.8%



Lercanidipine as a % of all calcium channel blockers

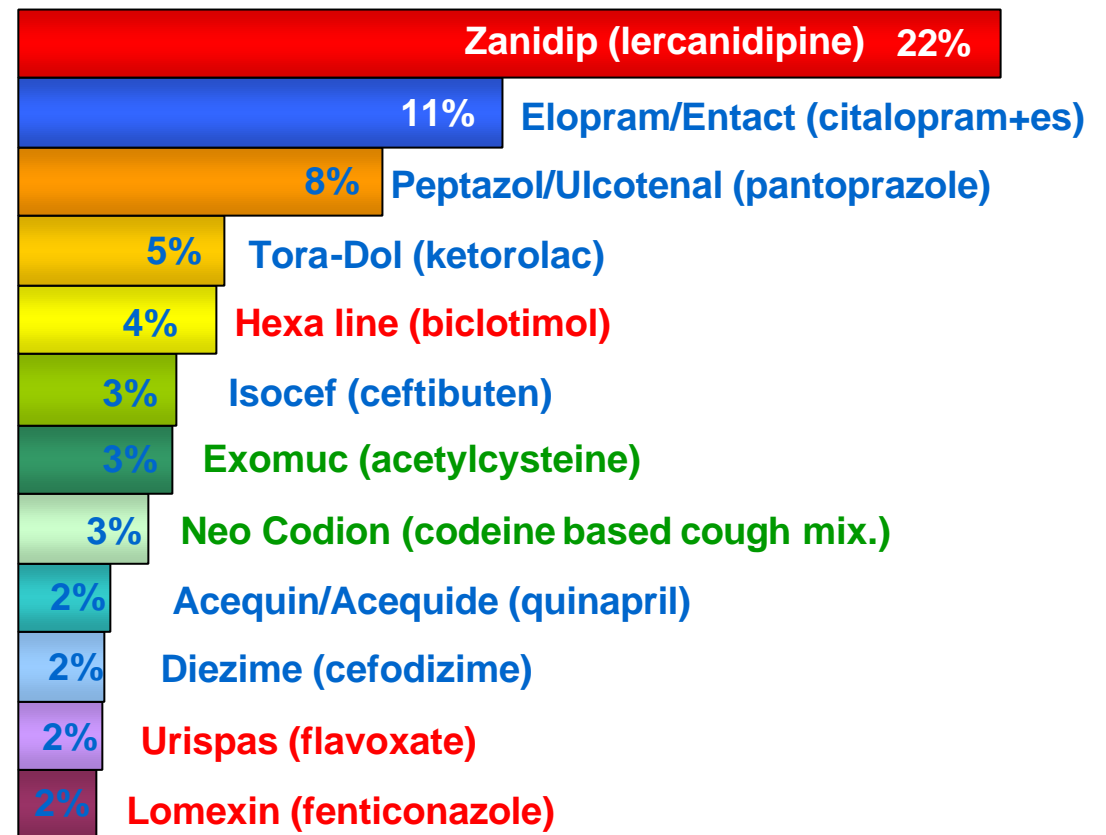
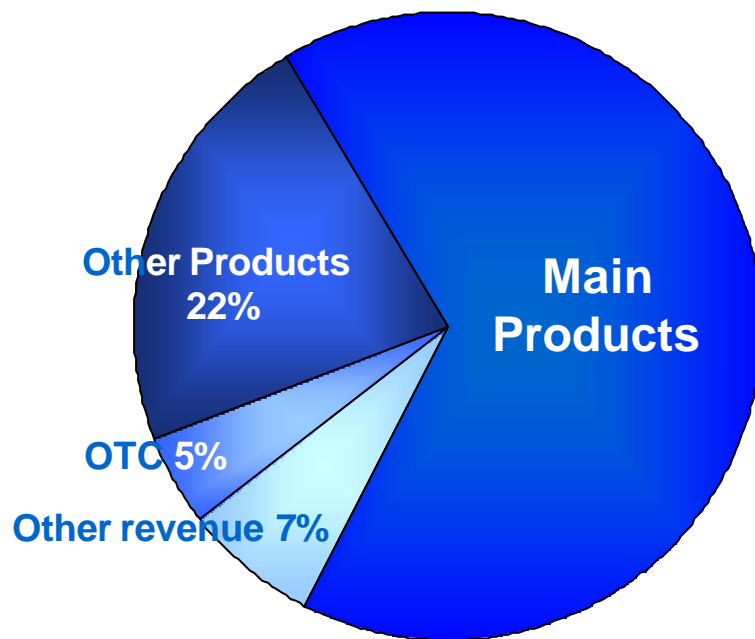
Bubble size represents \$ market value of CCB's



Source: IMS data - 4Q 2003

Main products

Breakdown of 12 months pharmaceutical sales at December 2003



Full year results

(million euro)	2002	2003	Change %
Net Sales	492.7	487.5	(1.1)%
Gross Profit as % of sales	289.1 58.7%	287.8 59.0%	(0.5)%
Selling Expenses as % of sales	133.8 27.2%	148.0 30.4%	10.6%
R&D Expenses as % of sales	35.1 7.1%	32.8 6.7%	(6.7)%
EBIT as % of sales	89.2 18.1%	81.0 16.6%	(9.2)%
Extraordinary items	-	30.6	n.s.
Net Income as % of sales	50.2 10.2%	23.7 4.9%	(52.7)%



EBIT by business area

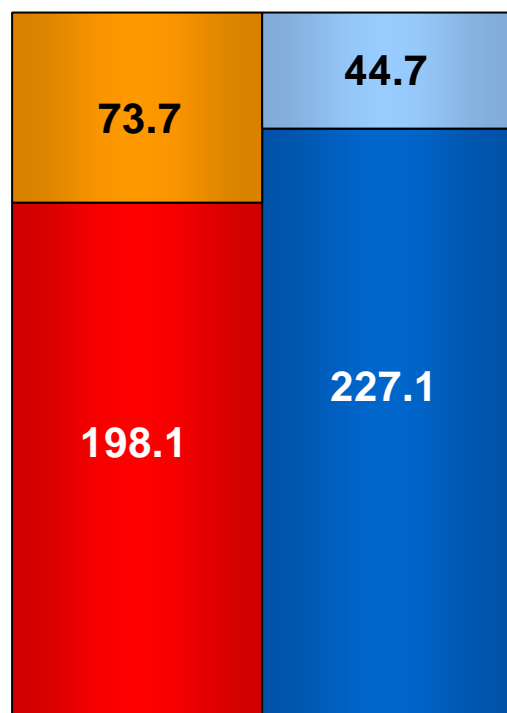
(million euro)	2002	2003	Change %
PHARMACEUTICALS as % of sales	85.8 20.7%	85.5 20.2%	(0.3)%
<i>PHARMACEUTICALS (excluding U.S. revenue from lercanidipine in 2002)</i>	<i>75.8</i> <i>18.9%</i>	<i>85.5</i> <i>20.2%</i>	<i>12.8%</i>
PHARMACEUTICAL CHEMICALS as % of sales*	3.4 3.8%	(4.5) (6.0)%	n.s.
TOTAL as % of sales	89.2 18.1%	81.0 16.6%	(9.2)%

* Including inter-company sales

Capital employed

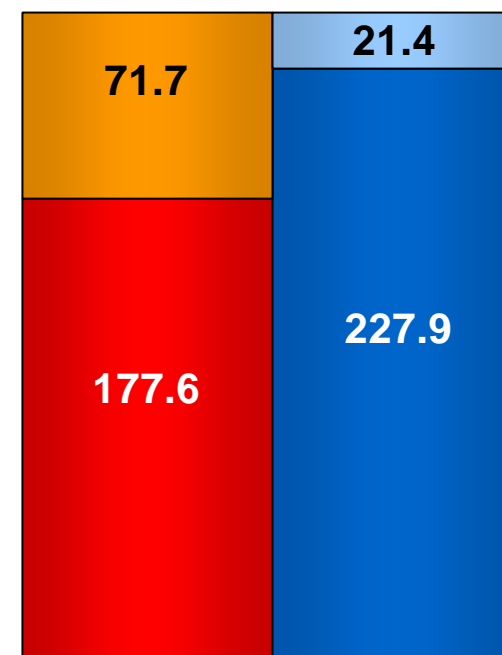
(million euro)

31 December 2002



Capital employed: 271.8

31 December 2003



Capital employed: 249.3

Cash flow

(million euro)

	2002	2003
Net income	50.2	23.7
Depreciation and amortization	30.7	26.8
Write-downs	3.3	30.0
Cash Flow from Operations	84.2	80.5
Change in working capital	(3.6)	(1.5)
Changes in non-current items	(0.7)	(11.6)
Net investments in fixed assets	(26.8)	(15.9)
Net investments in intangible assets	(13.2)	(5.2)
Free Cash Flow	39.9	46.3
Dividend paid	(12.5)	(18.3)
Purchase of treasury stock	(17.5)	(2.9)

