

Krka Acquired Alternova GmbH from Vienna

Novo mesto, Vienna, 7 November 2008 – Krka, d. d., Novo mesto (Krka) signed, on 6 November 2008, an agreement with Paranova Group for the acquisition of Alternova Arzneimittel GmbH, Vienna (Alternova AT) in an all-cash transaction valued at EUR 1.3 million.

Jože Colarič, President of the Management Board and Chief Executive of Krka:

»The transaction represents the continuation of our development strategy that includes also acquisitions which we started to implement a year ago. The takeover of Alternova AT supplements our successful organic growth. In accordance with the strategy of gradual development of our own marketing and sales network in the West Europe, the Austrian market is also an attractive market for Krka. Krka has been present in Austria through our partners, among them also Alternova AT. The acquisition represents a highly effective route for direct entry into the Austrian market as it enables us to immediately start business activities. Alternova AT has the needed number of medical representatives, experienced management team and appropriate infrastructure. All of which is well complemented with Krka's broad product portfolio and new product pipeline, which are the result of a vertically integrated business model. Owing to new product launches planned for the Austrian market, we expect a rather fast growth of Alternova AT sales for 2009 and the following years.«

About the transaction

With the transaction Krka acquired 100% ownership of Alternova AT. All conditions for the closing of the transaction were fulfilled on the signing date. Therefore the transaction was closed on 6 November 2008.

About Alternova AT

Founded in 2002 in Vienna, Alternova Arzneimittel GmbH was a part of the Paranova Group from Denmark. The company is among the fast growing generic suppliers on the Austrian pharmaceutical market. Alternova AT is focused on products for the cardiovascular system, the central nervous system, the alimentary tract and metabolism, and the genito-urinary system diseases. Krka is acquiring the company with 14 employees. The annual sales of the company are approximately EUR 2 million. In its product portfolio Alternova AT has marketing authorisations for 25 molecules for the Austrian market.