



- The non-consolidated financial results of Sopharma improved on yearly basis. The market reaction was rather negative, following the overall market bias.
- Total revenues increased 18% on yearly basis. Sales of production rose 20% to BGN 47 million as compared to 1Q 2009. The export is generating 32% of the sales of production, whereas the revenues from the domestic market were almost unchanged. The new markets of the company – Turkey and other Balkan countries contributed EUR 1 million to the total result. One of the main company's markets – Russia shrunk by 4% but the other countries compensated with solid growth.
- The net profit increased by 34% y-o-y to BGN 12.7 million and the quarter was the best historical result of Sopharma.
- Until the end of 2010 the company will begin the distribution of 5-8 new products and will continue with the development of several new products. The tablets segment continued to generate the largest part of the sales with 62% stake, followed by the ampoules with 26%. During the quarter, Sopharma held 6% of the strongly competitive Bulgarian pharmaceuticals' market.
- In the 2009 report, the Management of the company forecasted 0% sales growth for 2010 but in the last financial announcement, the prognosis has been revised to 12%-15% growth on yearly basis.
- The long-term liabilities of the company fell by 54% on yearly basis, mainly due to the decreased bank loans. Most bank loans of Sopharma are in EUR and USD and the company is paying relatively low interest rates. However, this decrease is mainly due to change in the maturity structure of bank loans as jump in short-term credits offset the decline of long-term loans.
- Latest results confirmed not only the positive trend but also the less degree of uncertainty when comparing to the other Bulgarian companies. Recently, the stock enjoyed higher investors' activity and the traded volumes improved. The price consolidated around the level of BGN 4.00 since October 2009.

### Stock Price of Sopharma



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### For more information, please contact:

<b>Research analyst</b>	<b>Phone:</b>	<b>E-mail:</b>	<b>Internet:</b>
Tsvetoslav Tsachev	+359 2 810 00 23	<a href="mailto:tsachev@elana.net">tsachev@elana.net</a>	<a href="http://www.elana.net">www.elana.net</a>
Tamara Becheva	+359 2 810 00 27	<a href="mailto:becheva@elana.net">becheva@elana.net</a>	<a href="http://www.elana.net">www.elana.net</a>