

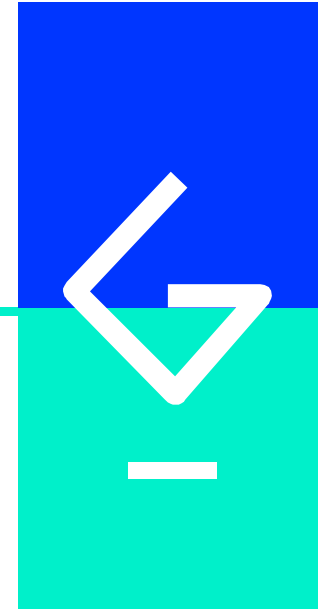
# GALDERMA

## CORPORATE PRESENTATION ■



# GALDERMA

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- ◆ Key dates
- ◆ Key facts and figures
- ◆ Strategy
- ◆ Sales
- ◆ Research & Development
- ◆ Regulatory Affairs
- ◆ Manufacturing



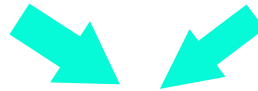
# Galderma - Key dates

## NESTLE

- 1962 Owen founded in the USA
- 1971 Owen acquired by Alcon
- 1977 Alcon acquired by Nestlé

## L'OREAL

- 1974 26% of L'Oréal acquired by Nestlé
- 1979 CIRD created by L'Oréal



## 1981 GALDERMA

- 1986 Galderma France: first subsidiary
- 1989 Worldwide organization established
- 1993 Metrogel<sup>®</sup> / Rozex<sup>®</sup> acquisition
- 1994 Alby-sur-Chéran Manufacturing Plant
- 1995 Differin<sup>®</sup> Launch
- 1997 Basotherm (Germany) acquisition
- 1998 Darrow (Brazil) acquisition
- 1999 Loceryl<sup>®</sup> acquisition
- Nycomed range acquisition (Scandinavia)
- 2000 Baie d'Urfé Manufacturing Plant (Canada)
- Capex<sup>®</sup> acquisition



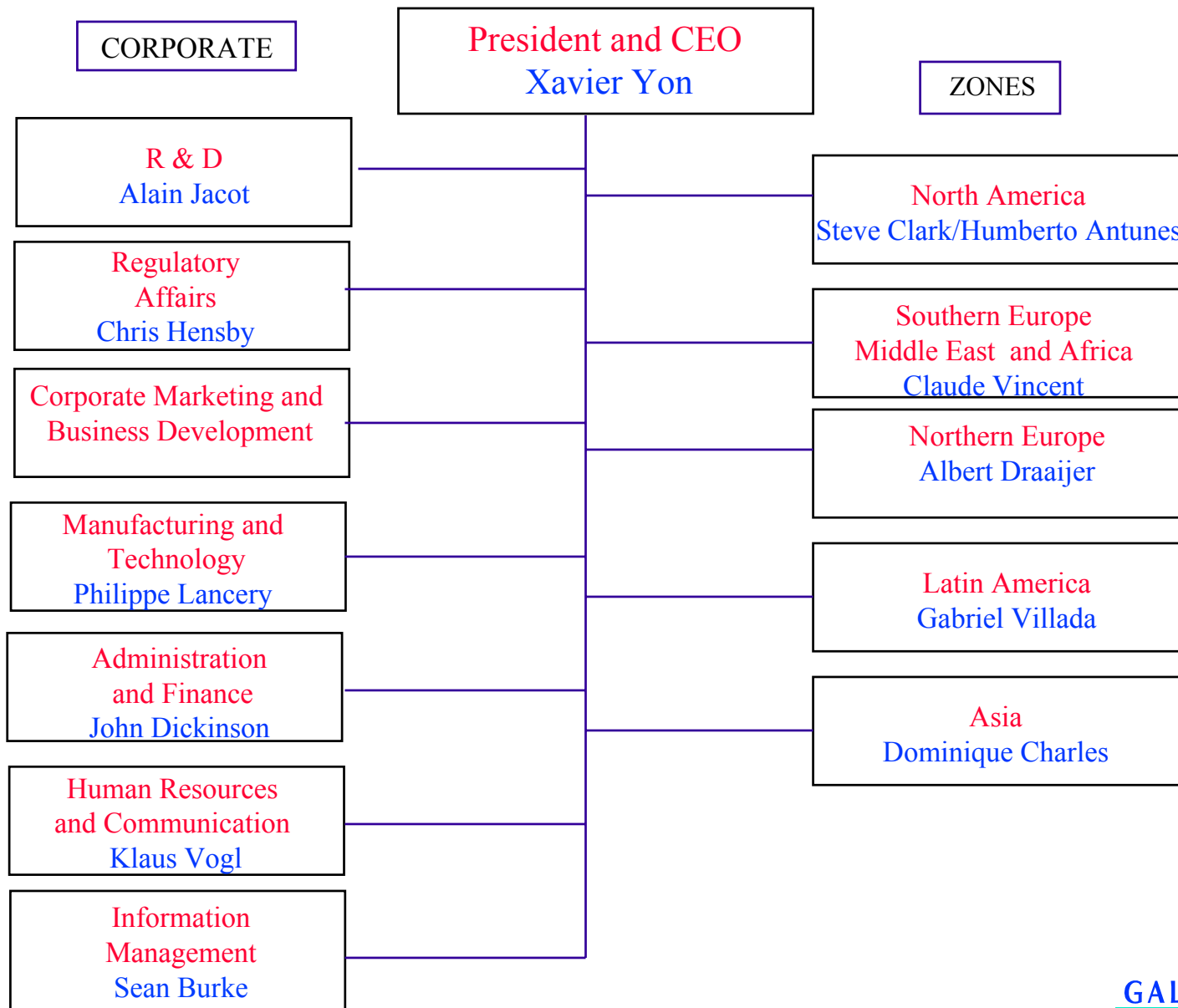
# Galderma:

## Key facts and figures

Sales 2000:	FF 3,449 million (+ 32%)
Worldwide employees:	1900
Subsidiaries worldwide:	31
R & D and Regulatory Affairs:	14% of Sales



# ORGANISATION



NESTLE SA 50%

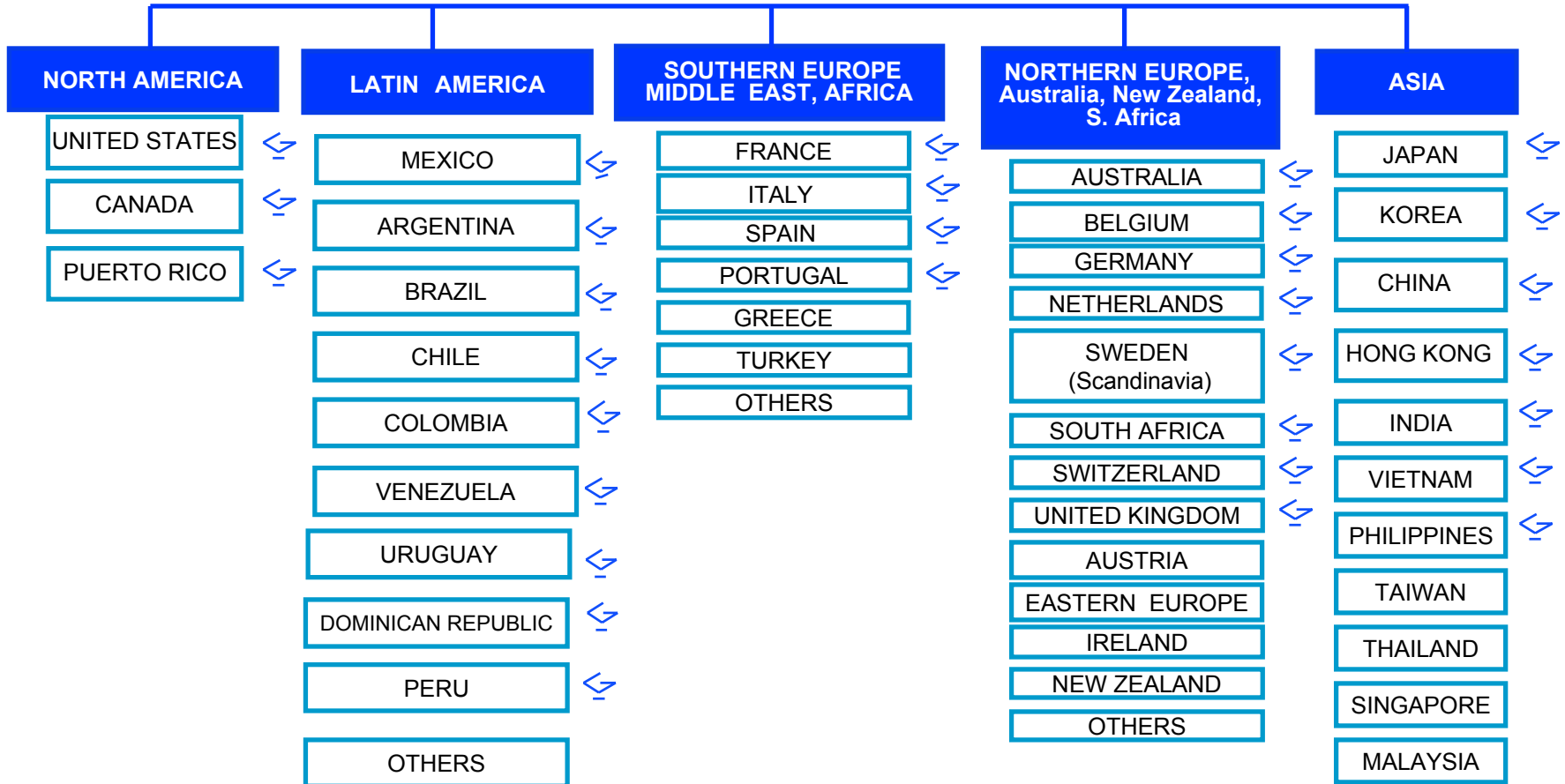


GALDERMA PHARMA SA  
(Suisse)



L'OREAL SA 50%

GALDERMA



= Subsidiaries /Rep. Office

GALDERMA



# Galderma strategy

“We have chosen dermatology”



# Galderma's Corporate Mission Statement

Galderma is dedicated to being a global leading company in the research, development, and marketing of dermatological products to meet the needs of dermatologists.



# Galderma strategy

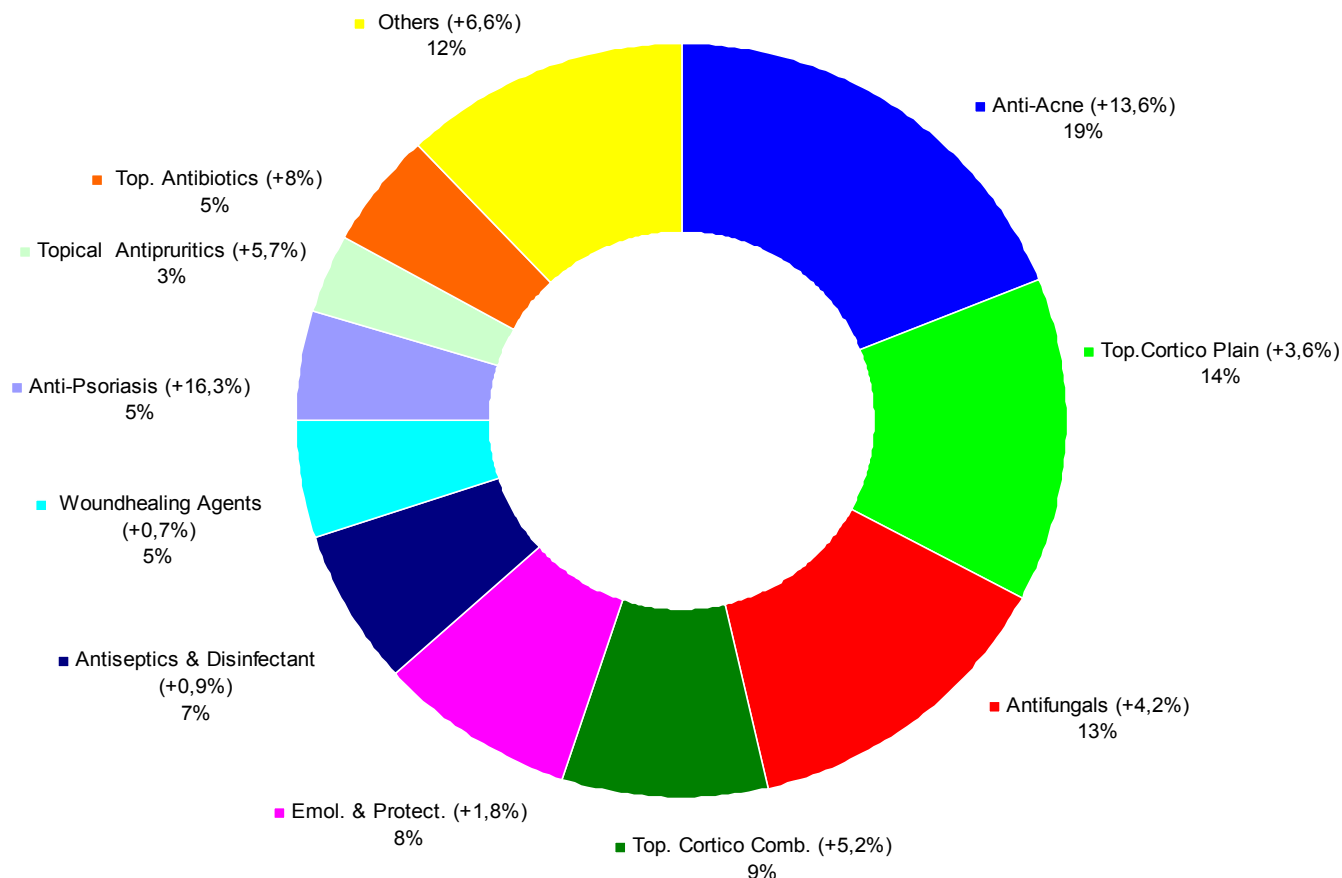
To answer the needs of dermatologists

- ◆ **Pharmaceutical products (primary focus)**
- ◆ **Non-pharmaceutical products (secondary focus):**  
in certain limited areas, where drugs alone cannot meet dermatologists' and patients' needs, non-pharmaceutical products are necessary  
(eg cleansers, moisturizers, shampoos ....)



# Dermatologicals « D » Market by Class

2000 Sales = US\$8 761 Million (+6.3%)



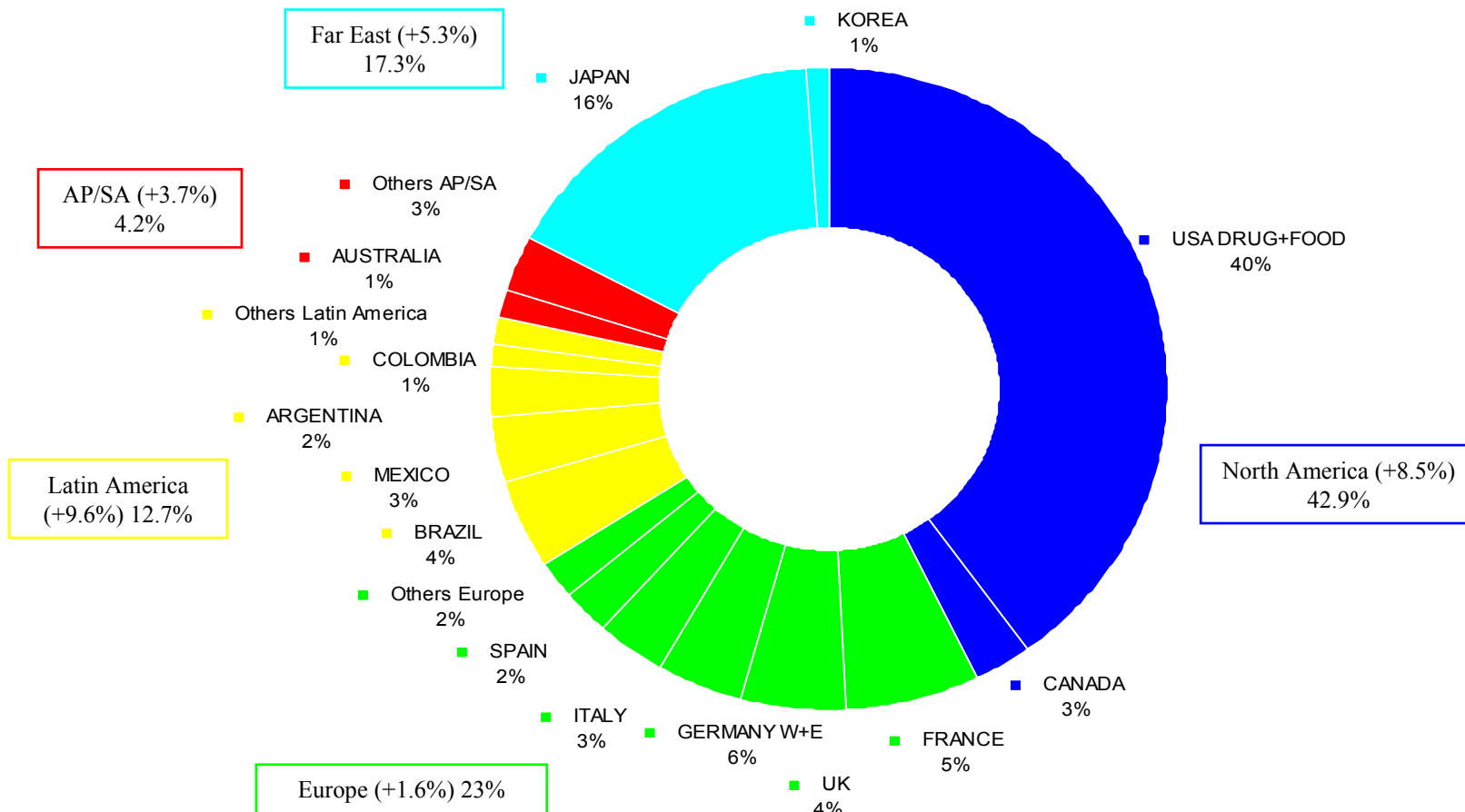
Source : IMS, MIDAS DATAVIEW MAT Dec. (% of change in Local Currency Dollar = w/o the influence of the fluctuations of the exchange rates).

Retail Universe + Hospital Universe in Japan.



# Dermatologicals « D » Market by Country / Area

2000 Sales = US\$8 761 Million (+6.3%)



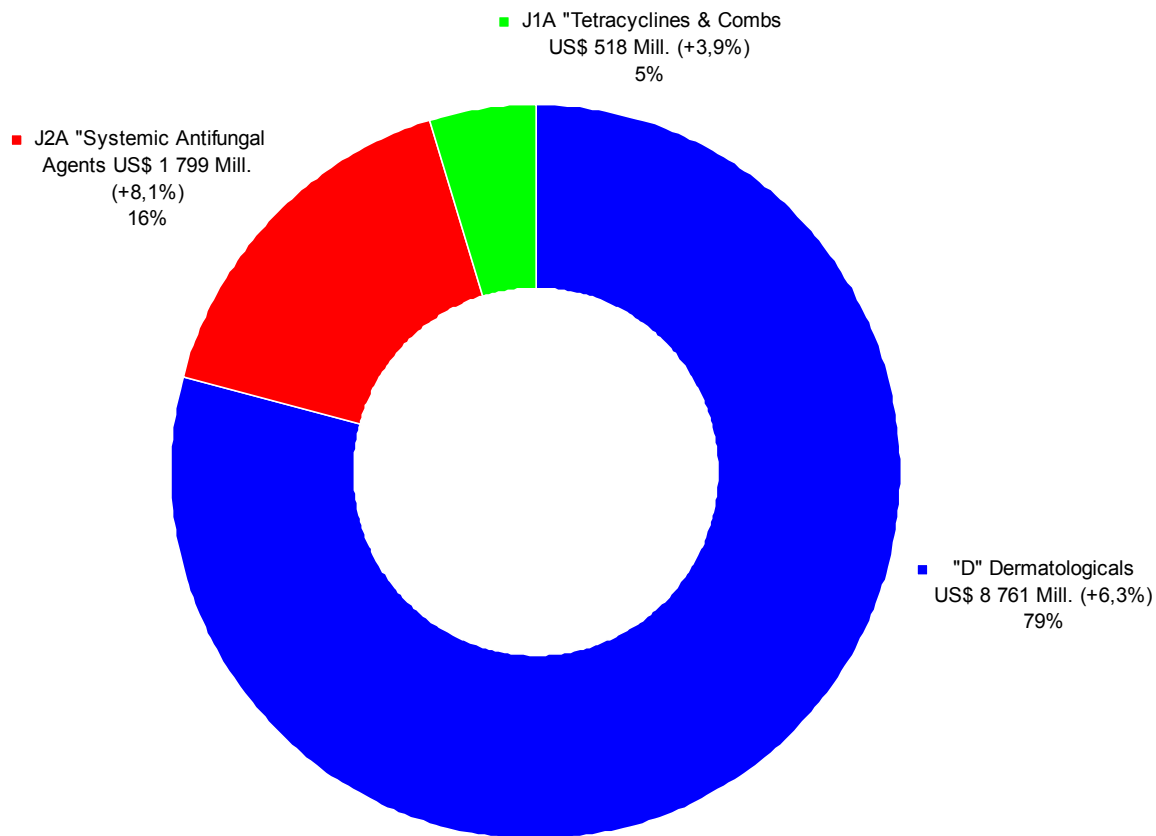
Source : IMS, MIDAS DATAVIEW MAT Dec. (% of change in Local Currency Dollar = w/o the influence of the fluctuations of the exchange rates).

Retail Universe + Hospital Universe in Japan.



# Other Potential Markets for Dermatology

2000 Sales = US\$11 078 Million (+6.5%)



Source : IMS, MIDAS DATAVIEW MAT Dec. (% of change in Local Currency Dollar = w/o the influence of the fluctuations of the exchange rates).

Retail Universe + Hospital Universe in Japan.



# Leading Corporations - Dermatology

Sales in «D» Class (+000)

1996	1997	1998	1999	2000	Corporations - MAT Dec. (+000)	1999 Sales (US\$)	2000 Sales (US\$)	00 % Sales Market Share (US\$)	00/99 % Change (US\$)	00/99 % Change (LC\$)
					<b>Total "D" Class</b>	<b>8 483 661</b>	<b>8 760 795</b>	<b>100,0</b>	<b>3,3</b>	<b>6,3</b>
3	3	3	1	1	ROCHE	668 582	759 539	8,7	13,6	17,5
2	2	2	2	2	SCHERING PLOUGH	657 377	685 693	7,8	4,3	7,5
1	1	1	3	3	JOHNSON & JOHNSON	646 626	603 035	6,9	-6,7	-4,3
4	4	4	4	4	GLAXOSMITHKLINE	471 359	473 414	5,4	0,4	4,6
6	6	7	6	5	AVENTIS	313 849	376 759	4,3	20	24,3
<b>10</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>GALDERMA</b>	<b>322 836</b>	<b>351 302</b>	<b>4,0</b>	<b>8,8</b>	<b>12,3</b>
5	5	5	7	7	BRISTOL-MYERS SQB.	307 320	314 919	3,6	2,5	3,3
8	8	8	8	8	SCHERING AG	243 978	243 766	2,8	-0,1	9,3
7	9	9	9	9	PFIZER	200 012	193 523	2,2	-3,2	-0,7
14	14	12	12	10	STIEFEL LABS	168 082	180 840	2,1	7,6	10,2
12	12	10	10	11	NOVARTIS	182 496	175 114	2,0	-4	-2,2
11	11	11	11	12	BAYER	172 843	172 538	2,0	-0,2	1,7
9	10	13	13	13	PHARMACIA CORP	163 307	153 761	1,8	-5,8	-3,9
70	73	22	14	14	MERCK & CO	153 080	153 282	1,7	0,1	4,8
15	15	15	15	15	KOWA SHINYAKU	134 668	136 272	1,6	1,2	-3,5
19	17	16	16	16	LEO	106 968	100 264	1,1	-6,3	3,2
20	20	20	19	17	SHIONOGI SEIYAKU	89 092	95 468	1,1	7,2	2,2
13	13	14	17	18	PROCTER & GAMBLE	93 305	89 678	1,0	-3,9	-3,6
17	18	17	18	19	BOOTS	90 014	82 523	0,9	-8,3	2,7
16	16	18	20	20	AMERICAN HOME	82 979	77 109	0,9	-7,1	-5,3

Reported Countries : Argentina, Australia, Belgium, Brazil, Canada, Chile, Colombia, France, Germany, India (4 last MATs), Ireland, Italy, Japan, Japan Hospital, Korea, Mexico, Netherlands, Philippines, Portugal, South Africa, Spain, USA, UK, Venezuela

Source : IMS, MIDAS DATAVIEW

GALDERMA



# Leading International Products - Dermatology

Sales in «D» Class (+000)

1996	1997	1998	1999	2000	International Product / Sales in US\$ (+000) / MAT Dec.	Major Corporation	1999	2000	00/99 % Change (US\$)	00/99 % Change (LC\$)	00 % MS (US\$)
					<b>Total "D" Class</b>		<b>8 483 662</b>	<b>8 760 796</b>	<b>3,3</b>	<b>6,3</b>	<b>100,0</b>
1	1	1	1	1	ROACCUTANE	Roche	551 679	645 817	17,1	20,2	7,4
7	6	4	3	2	LOTRIDERM	Schering Plough	170 643	186 352	9,2	9,9	2,1
2	2	2	2	3	NIZORAL	J&J	215 844	183 314	-15,1	-11,8	2,1
5	5	5	4	4	DAIVONEX/PSORCUTAN	BMS	163 474	168 624	3,2	9,0	1,9
22	13	12	10	5	BENZAMYCIN	Aventis	114 650	152 163	32,7	33,2	1,7
74	74	16	6	6	PROSCAR (=Propecia)	Merck & Co	148 527	149 542	0,7	5,4	1,7
4	4	6	7	7	DIANE	Schering AG	146 879	149 118	1,5	12,3	1,7
3	3	3	5	8	ZOVIRAX	GlaxoSmithkline	159 852	146 352	-8,4	-2,5	1,7
12	11	8	8	9	BACTROBAN	GlaxoSmithkline	128 530	146 287	13,8	15,7	1,7
10	9	9	9	10	ELOCON	Schering Plough	125 107	138 892	11,0	15,2	1,6
9	8	11	12	11	CELESTONE	Schering Plough	109 079	113 016	3,6	7,4	1,3
67	22	13	14	12	DIFFERINE	GALDERMA	92 963	109 731	18,0	19,5	1,3
6	7	7	11	13	RETIN-A	J&J	112 223	93 192	-17,0	-16,6	1,1
11	10	10	13	14	LAMISIL	Novartis	102 681	82 499	-19,7	-20,0	0,9
31	23	21	18	15	ROZEX/METRO	GALDERMA	66 421	76 383	15,0	16,1	0,9
16	18	14	15	16	DALACIN C	Pharmacia Corp	79 692	74 779	-6,2	-5,1	0,9
28	31	29	32	17	BATRAFEN/PENLAC	Aventis, Pierre Fabre	40 472	72 939	80,2	101,4	0,8
13	17	18	17	18	ISODINE	Meiji Seika	70 543	70 630	0,1	-3,9	0,8
15	14	15	16	19	CANESTEN	Bayer	70 991	68 909	-2,9	1,8	0,8
24	20	20	19	20	LACHYDRIN	BMS	63 235	66 838	5,7	5,7	0,8
73	70	53	35	21	ALDARA	Minnesota 3M	37 843	61 432	62,3	63,5	0,7
20	21	19	20	22	PEVARYL	J&J	58 954	58 919	-0,1	6,9	0,7
19	16	17	21	23	QUADRIDERM	Schering Plough	54 299	57 220	5,4	7,1	0,7
17	19	22	22	24	DERMOVATE	GlaxoSmithkline	54 239	55 340	2,0	4,7	0,6
21	26	27	24	25	RINDERON VG	Shionogi Seiyaku	51 049	54 973	7,7	2,8	0,6
75	75	48	25	26	REGRANEX	J&J	47 404	52 299	10,3	10,3	0,6
30	24	23	23	27	BETADINE	Degussa-Huels	51 088	49 389	-3,3	6,0	0,6
64	61	34	28	28	NEOTIGASON	Roche	43 495	47 369	8,9	14,4	0,5
47	41	35	34	29	ULTRAVATE	BMS	37 862	45 495	20,2	20,2	0,5
25	27	24	27	30	FUCIDIN	LEO	45 615	43 841	-3,9	3,3	0,5

Reported Countries : Argentina, Australia, Belgium, Brazil, Canada, Chile, Colombia, France, Germany, India (4 last MATs), Ireland, Italy, Japan, Japan Hospital, Korea, Mexico, Netherlands, Philippines, Portugal, South Africa, Spain, USA, UK, Venezuela

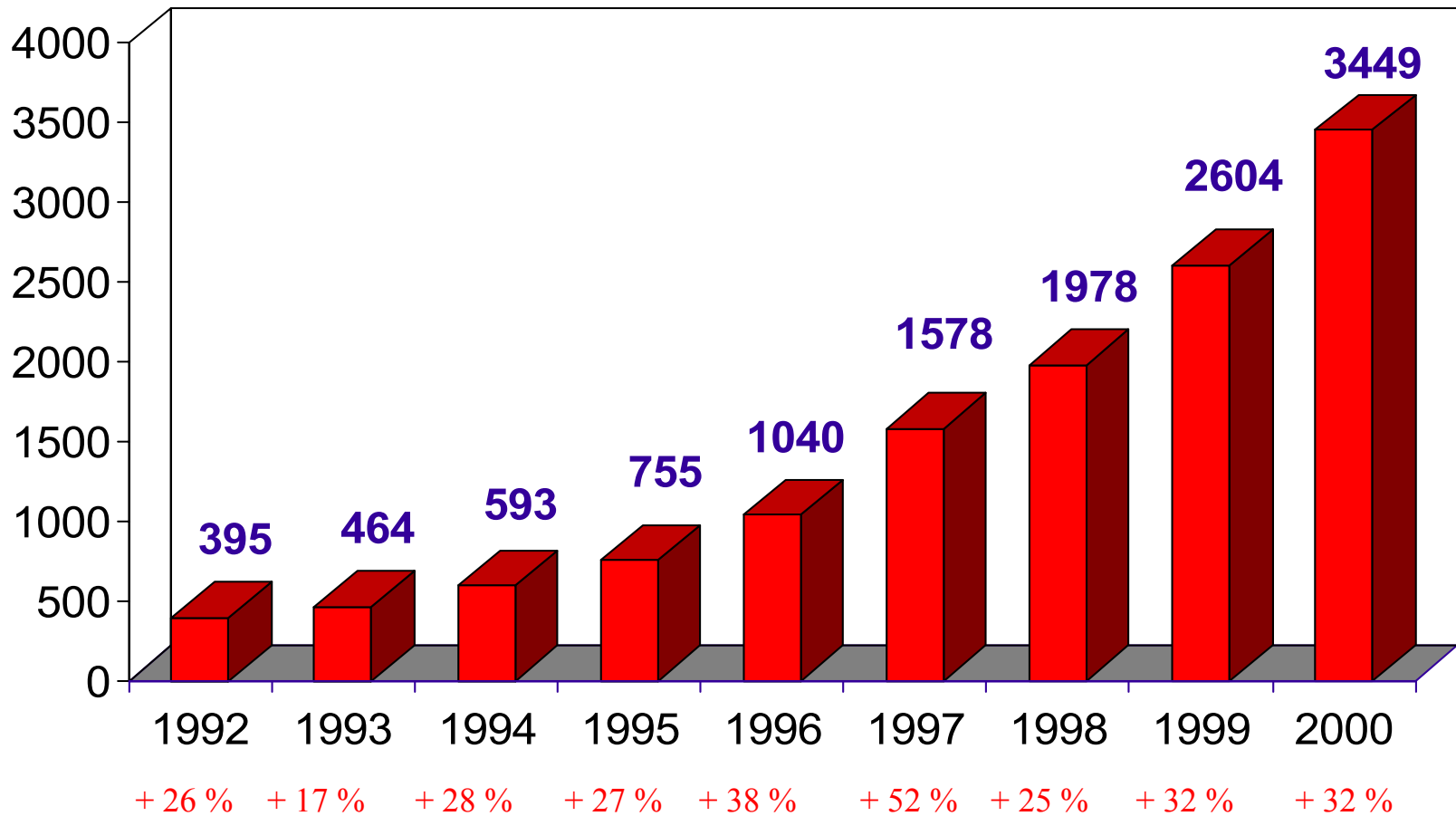
Source : IMS, MIDAS DATAVIEW

**GALDERMA**



# Galderma Sales

FF million



Source: Company data 2001

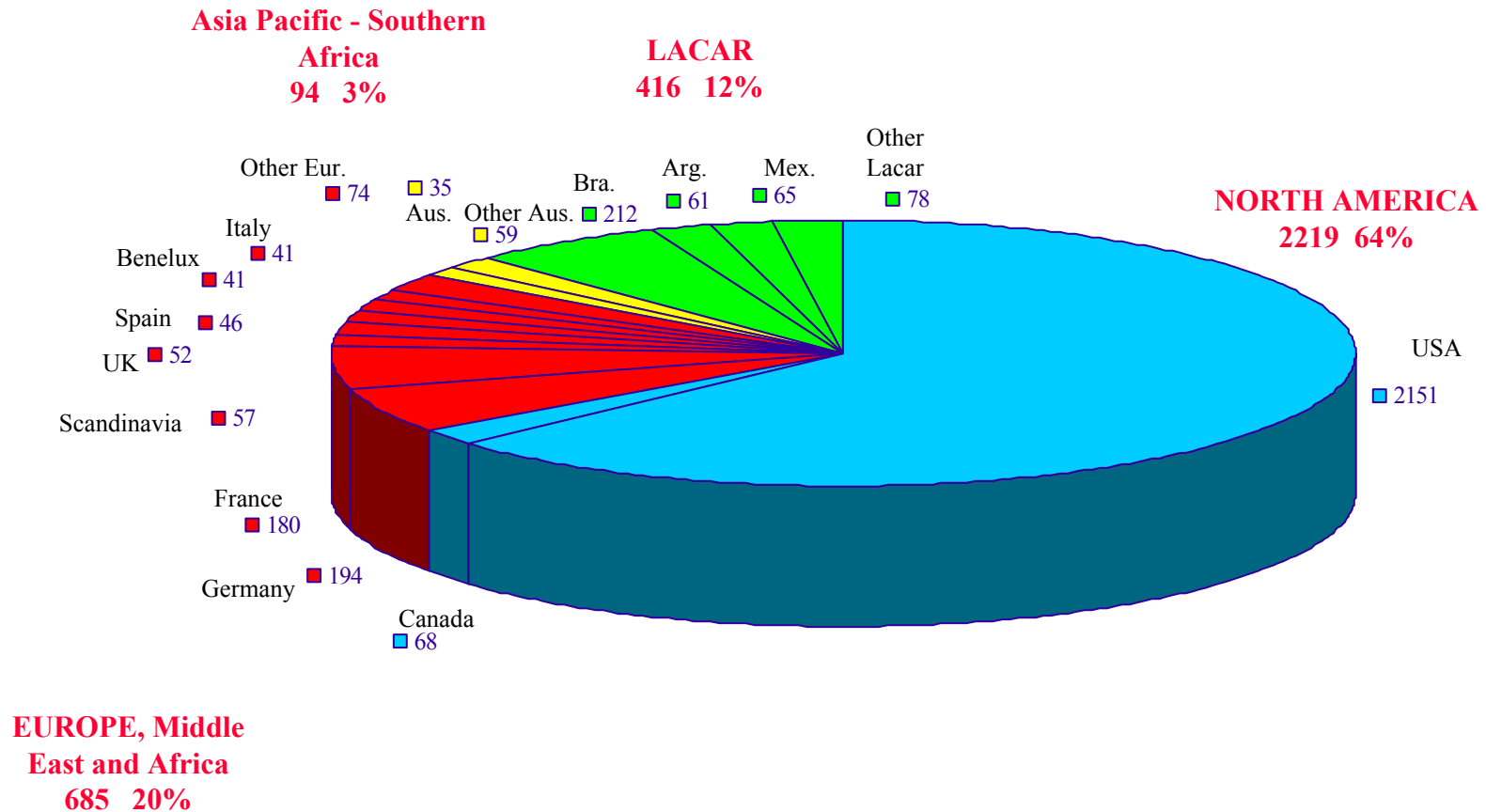
Published Sales Historical Exchange Rate

GALDERMA



# Galderma: key countries 2000

## Sales FF 3,449 million



# Galderma: major brands

## Pharmaceutical Products

### ◆ Topical anti-acne

- Differin ®
- ClindaGel®
- Benzac ®
- Eryacne ®
- Retacnyl ®

### ◆ Oral AB anti-acne

- Tetralysal ®

### ◆ Topical anti-fungals

- Loceryl ®

### ◆ Topical anti-rosacea

- Rozex/Metrogel ® / Metrocream ®  
/ Metro lotion ®

### ◆ Corticosteroids

- Desowen ®
- Efficort ®

### ◆ Oral anti-histamines

- Mistamine ®

### ◆ Topical anti-psoriasis/seborrheic dermatitis

- Silkis ®
- Capex ®



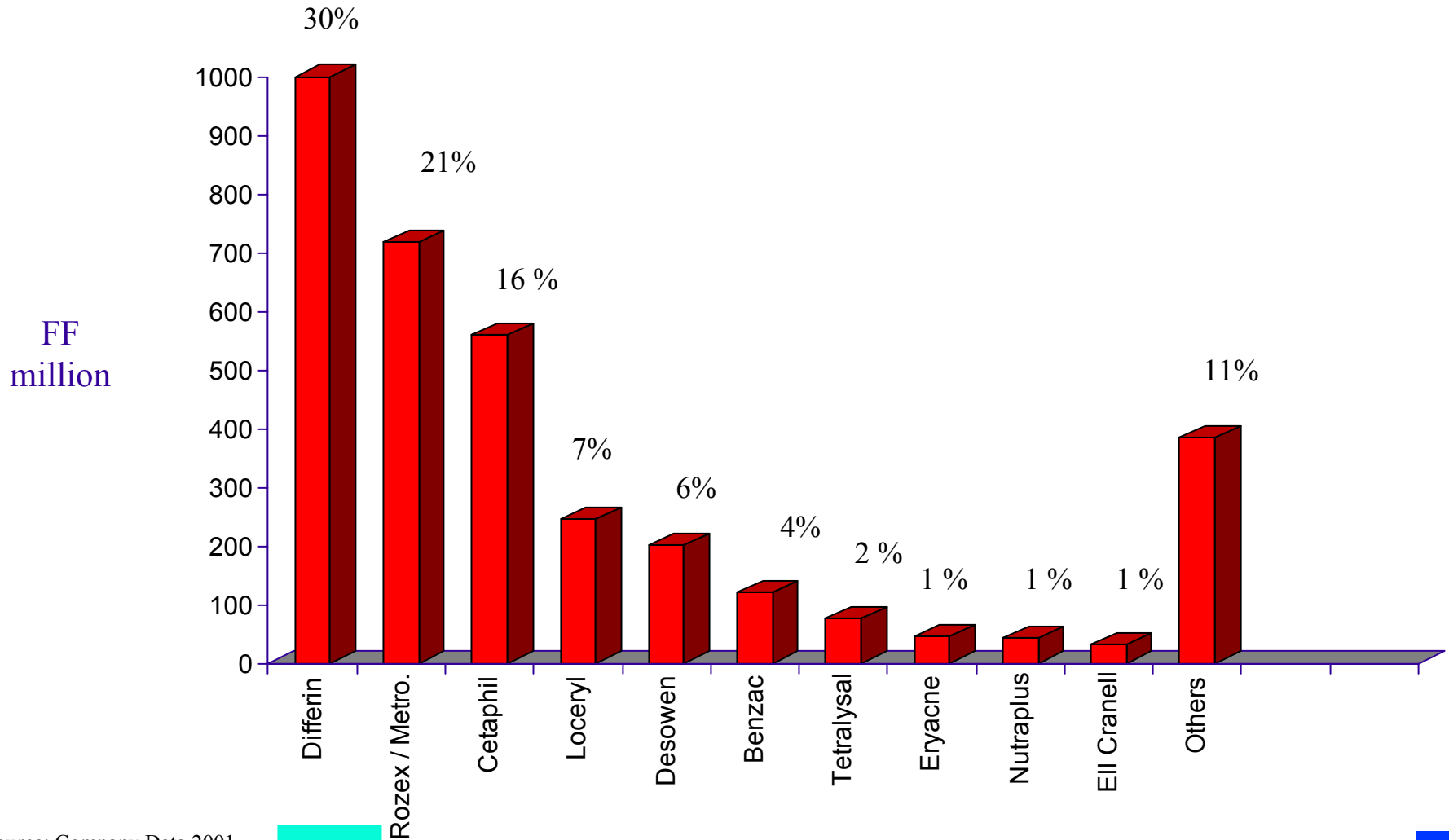
# Galderma: major brands

## Non Pharmaceutical Products

- ◆ Cleansers
  - Cetaphil® Cleansers
- ◆ Moisturizers
  - Cetaphil® Moisturizers
  - Lactrex ®
  - Nutraplus®
- ◆ Hair Care
  - Ionax® / Ionil®



# Galderma: top 10 products 2000



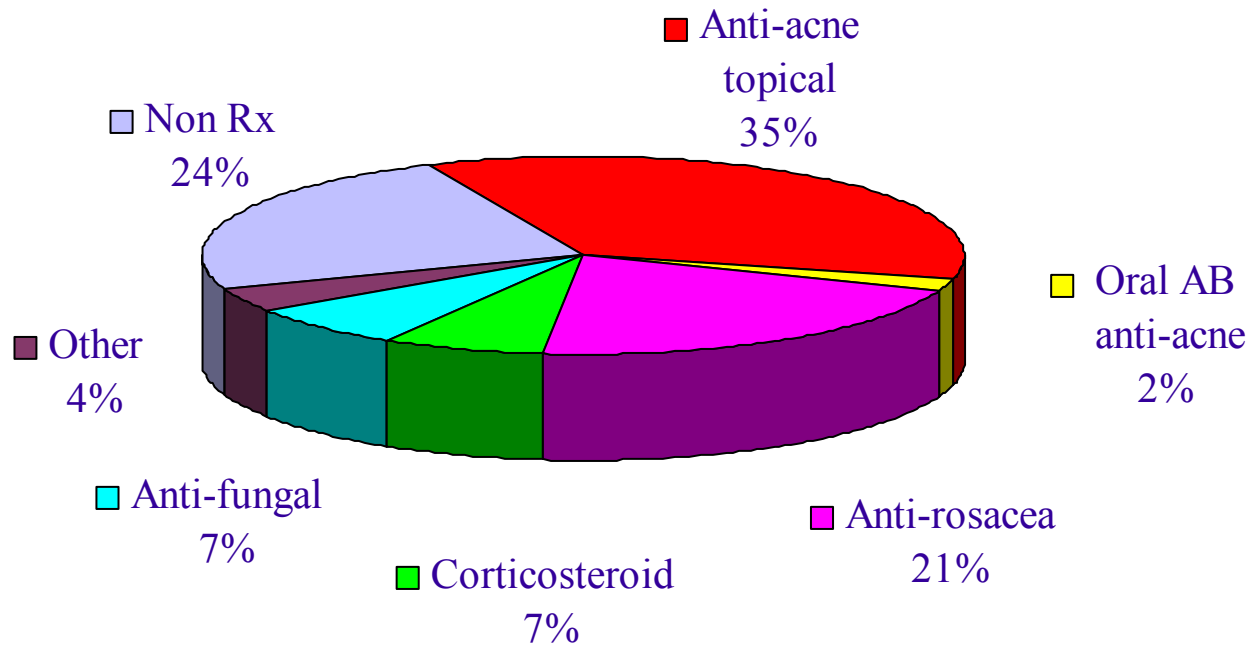
Source: Company Data 2001



# Galderma

## Sales by therapeutic category

### 2000 FF 3 449 million



# Galderma

## Research & Development

- Total budget 2000: 14% of sales (incl. Reg Affairs)
- Employees: 380
- Facilities:
  - Sophia Antipolis, France
  - Princeton, New Jersey, USA
  - Tokyo, Japan
- Area of expertise: Nuclear modulators
- Industrial property: Patents - 1500 +
- Disease Targets:
  - Acne - Psoriasis - Rosacea - Onychomycosis
  - Alopecia - Skin Ageing - Pigmentation Disorders



# Pipeline Sources

R&D

Galderma

R&D

L'Oréal

Nestlé

New Projects

Licenses

Acquisitions

Joint ventures

Pharmaceutical  
products

Non-Pharmaceutical  
products



# Galderma Regulatory Affairs

## Pharmaceutical Registrations

### 1990 - 2000

	<u>Submitted</u>	<u>Approved</u>
Southern Europe + Middle East Africa	363	259
Northern Europe	406	309
Latin America	362	329
Asia Pacific – Southern Africa	164	144
North America	84	76
Far East	54	46
<u>TOTAL</u>	<u>1433</u>	<u>1163</u>



# Galderma - Production

## PRIMARY

	<u>Date of Opening</u>	<u>Capacity</u>	<u>Workforce</u>
France - Alby-sur-Chéran	April 1994	20 million units	120 (1998)
Canada - Baie d 'Urfé	2nd quarter 2000	40 million units	115 (2000)

## LOCAL PRODUCTION (sub-contractors)

- USA - San Antonio, Texas opened 1960's capacity: 26 million units
- Mexico
- Brazil
- South Africa
- India
- Australia
- Germany



# Galderma: A unique profile

Joint shareholders

Nestlé

L'Oréal

Focused approach

**We have chosen dermatology**

Dedicated resources

R & D - Reg. Affairs - Production

Global organization

North  
America

Europe  
Middle East  
Africa

Latin  
America

Asia





# Galderma Corporate objective

“ Become the leading company in Dermatology  
in the World ”

