



Sigma Pharmaceuticals Limited 2014 Annual General Meeting

Brian Jamieson, Chairman



Financial Overview



Revenue up 1.1% to
\$2.97 billion



Reported NPAT
\$53.5 million
Underlying NPAT
\$51.1 million



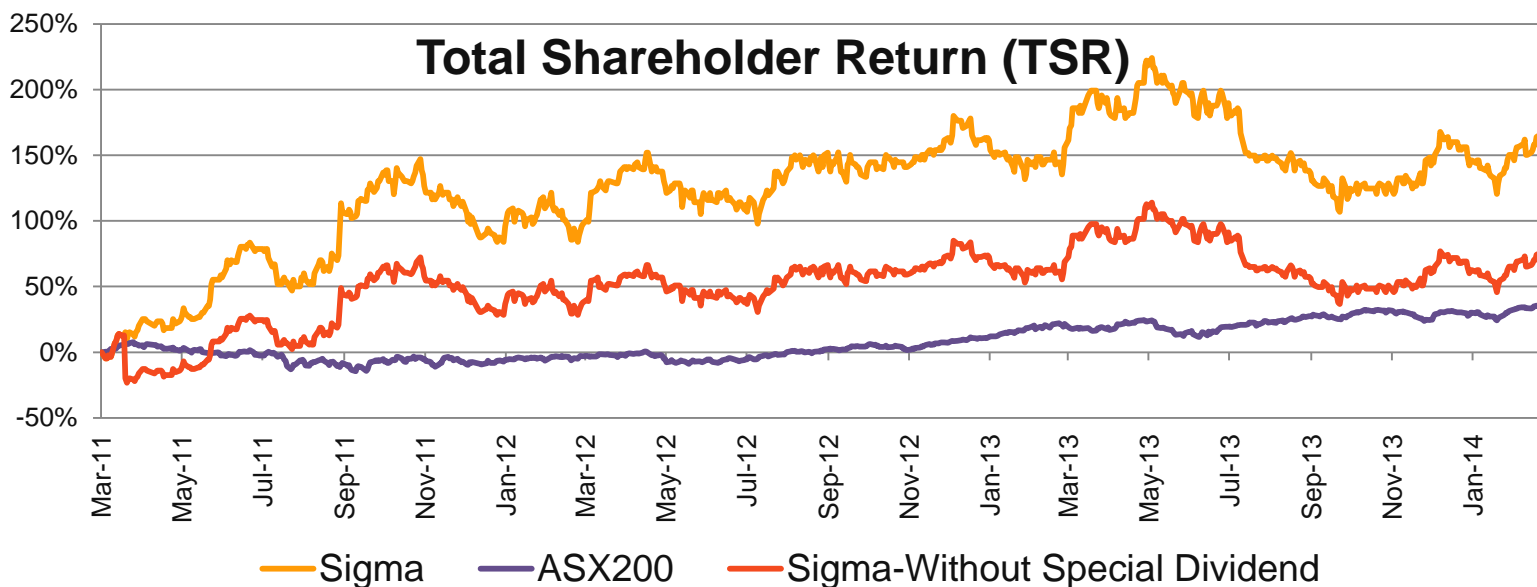
Fully Franked
Dividend of 4.0 cents
per share for the
year, 84% payout
ratio

Industry wide PBS spend declined over 2% during this period

Shareholder Returns

Cash Returned to shareholders since 2011 –

- Over \$320 million in dividends (28 cents per share)
- \$50 million in Share Buy-Back (over 71 million shares)



Key business issues



Strong and
transparent Balance
Sheet;

\$68m cash, no net
debt;

Franking credits
position

Investing in our future

- Infrastructure to improve operational efficiencies
- Structured Professional Services program
- Central Healthcare Service (CHS) acquisition

HEALTH SYSTEM

Hospitals

GPs

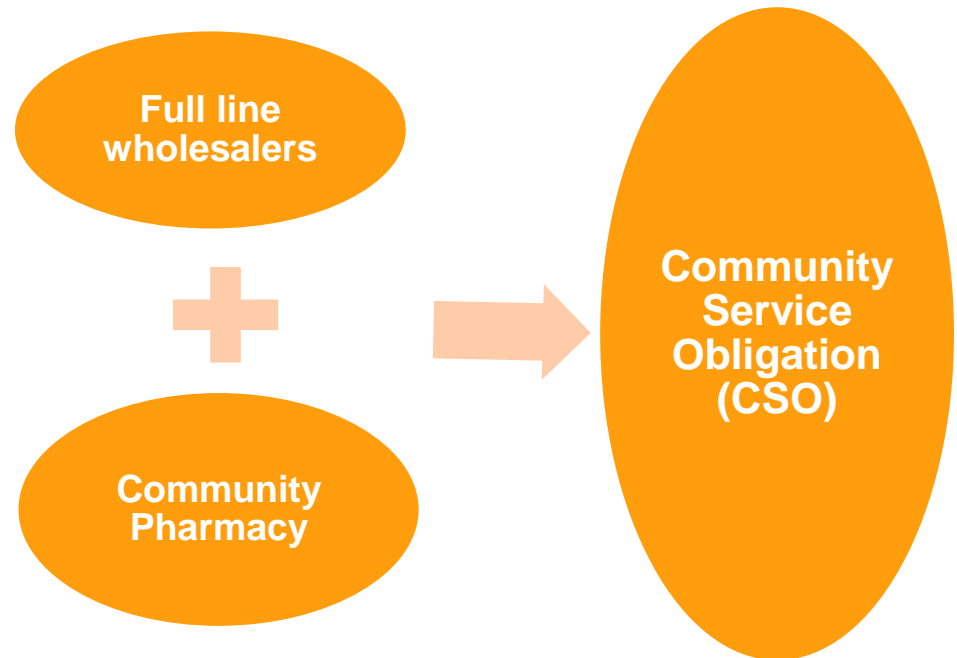
Pharmacy

Increasing accessibility - Decreasing costs – Improving outcomes

Regulatory landscape

- Sixth Community Pharmacy Agreement (6CPA)
- National Commission of Audit Report
- Government PBS reform

Critical in achieving stability and certainty to enable the industry to provide equitable access to essential medicines



Position of strength

- Strong and transparent Balance Sheet
- Achieving results from our investments
- Active engagement with Government
- Experienced management team



Sigma Pharmaceuticals Limited 2014 Annual General Meeting

Mark Hooper, Managing Director and CEO



Full year 2014 Results

\$m	FY 2014	FY 2013	Variance	% Change
Sales revenue	2,973.5	2,942.4	+31.1	↑ 1.1%
Gross Profit	216.9	208.4	+8.5	↑ 4.1%
Operating costs	-188.3	-169.2	+19.1	↑ 11.3%
Underlying EBIT	71.2	71.1	+0.1	↑ 0.1%

Revenue

Volumes up 3.3%, Sales only up 1.1% due to impact of PBS reform

Distribution costs

Held relatively flat despite higher volumes and cost increases

Operating costs

Investments in retail and marketing activity to grow ongoing sales

Central Healthcare Services (CHS)

- Initial payment of \$24.5 million, with potential earn out in June 2015
- Earnings accretive
- Annual sales revenue over \$200 million
- Flexible business model, with presence in hospital distribution
- Over 140 pharmacies under Pharmasave banner
- Expect to deliver \$3.5 million EBITDA

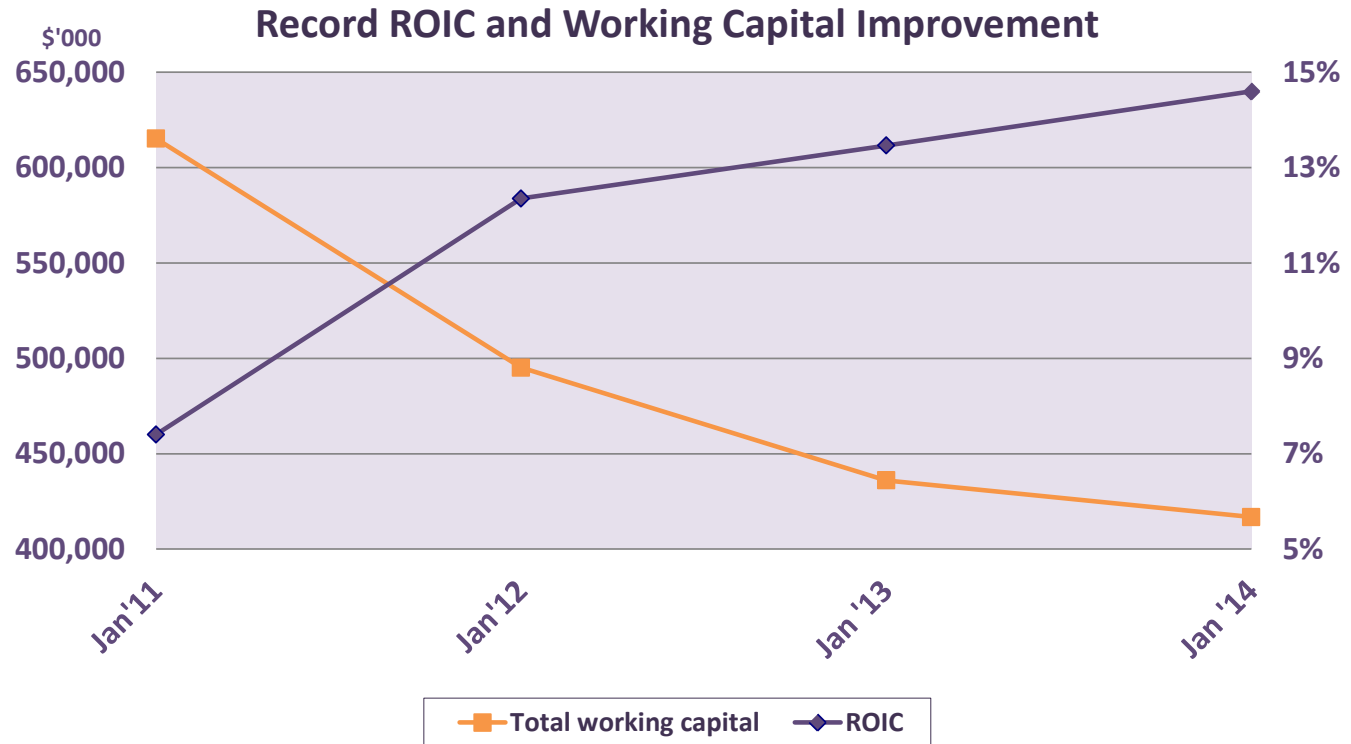


Consistency of service recognised – second year running



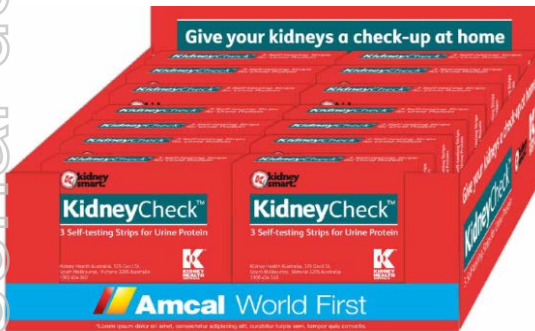
Strong Capital Management

- Cash Conversion cycle 50 days
- Capital investment earmarked for Brisbane and Sydney Distribution Centres



Differentiating our brands

For personal use only



Looking forward

- Solid start to the FY2015;
- Impact of PBS reform will continue;
- Making the right investments to drive our vision



Amcal Services

Our pharmacy team is committed to providing these services to you everyday











Ask if these additional services are available today











www.amcal.com.au 

Australia's Partner of Choice for Health, Beauty and Wellbeing

Shareholder Questions

- **How we link share price performance and remuneration**
- **Chemist Warehouse**
- **Introduce a DRP**





Sigma Pharmaceuticals Limited 2014 Annual General Meeting

THANK YOU



Important notice

The material provided is a presentation of general information about Sigma's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. No representation or warranty is made as to its completeness, accuracy or reliability. Any forward looking information in this presentation has been prepared on the basis of a number of assumptions which may prove to be incorrect. Known and unknown risks, uncertainties and other factors, many of which are beyond Sigma's control, may cause actual results to differ materially. Nothing in this presentation should be construed as a recommendation or forecast by Sigma or an offer to sell or a solicitation to buy or sell shares.

This presentation also contains certain non-IFRS measures that Sigma believe are relevant and appropriate for the understanding of the financial results.