



KRKA, D.D.

www.krka.si

Sector:
Pharmaceuticals

Ticker:
KRKG SV

PRICE (10.04.2007)	851.00 EUR
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KRKG	
NO OF SHARES	3,542,612
MIN (52 WEEK)	EUR 427.18
MAX (52 WEEK)	EUR 917.13
MARKET CAP.	EUR 3,014.76 MN

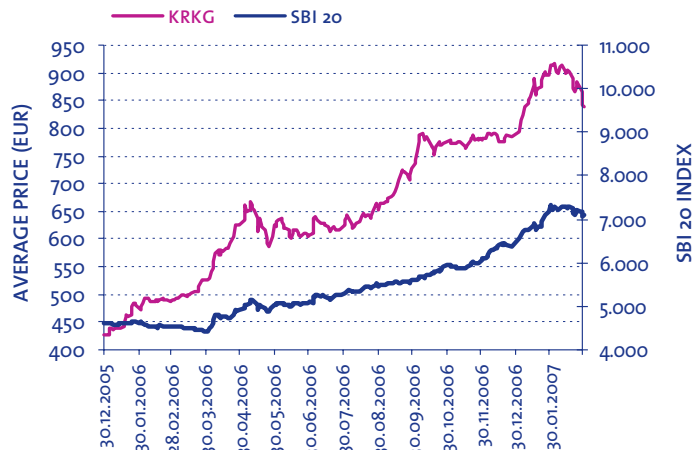
BV (31.12.2006)	EUR 158.81
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RATIOS*	
P/E	25.81
P/B	5.11
EPS	EUR 32.93

* values based on 2006 results and current price share

Krka is one of the leading generic pharmaceutical companies which operates in Slovenia, Central and Eastern Europe. It is also expanding its positions to Western markets. Besides prescribed medicines and self-treatment medicine, the company also produces veterinary and cosmetic products and implements health and tourist service via its affiliate company Krka Zdravilišča (Krka Health Resorts).

Around 29% of its products are sold in the area of Eastern Europe, 25% in Central Europe, 16% in the area of South Eastern Europe and 15% in the area of Western Europe and overseas. Approximately 15% of its products are sold on Slovenian market. Krka has subsidiaries in the European region: Italy, Czech Republic, Croatia, Hungary, Ireland, Sweden, Germany, Serbia, Macedonia and Russia.



COMPANY PROFILE:

Krka was established in 1954 as a small pharmaceutical laboratory. It has risen to an international company with modern factories and research laboratories. Today, Krka operates on more than 70 foreign markets and produces in its own factories in Slovenia, Poland, Russia and Croatia. In 2005 the group allocated EUR 89.5 mn for investments. The most important project was the construction of the new chemical synthesis plant Sinteza 4.

The Krka group includes several companies that are spread all over the European region:

	AFFILIATE COMPANY	OWNERSHIP STAKE
Slovenia	Krka Zdravilišča, Novo mesto	100%
Europe	Krka-Farma d.o.o., Croatia	100%
	Krka-Farma Dooel, Skopje, Macedonia	100%
	Krka-Polska sp.z.o.o., Warsaw, Poland	100%
	Krka Assenhandels GmbH, Munich, Germany	100%
	Krka-Rus, Istra, Russia	100%
	Krka Farma, Sergijev Posad, Russia	100%
	Krka ČR s.r.o., Prague, Czech Republic	100%
	Krka Pharma Dublin Limited, Dublin, Ireland	100%
	Krka Sverige AB, Stockholm, Sweden	100%



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	Krka Magyarország Kft, Budapest, Hungary	100%
	Helvetius s.r.l., Trieste, Italy	100%
	Krka-Farma d.o.o., Nov Sad, Serbia	100%

At the end of 2006, there were 5,759 employees in the Krka group, 3,580 of them worked in Slovenia and 31% outside Slovenia. Considering the balance at the end of 2004, the number of employees has increased by 8.4%. Until the end of the first quarter of 2006, there were 5,410 employees. The number of employees has increased by 8.4% as compared to the first quarter of 2005.

The production aims at producing products for self-treatment by emphasizing specific needs of a rapidly aging population. The offer is expanded in the fields of modern diseases: cardiovascular system, infections, digestion and nervous system.

In 2006 the net revenues of Krka Group amounted to EUR 667.9 mn increasing 21% from the year before. The operating profit increased 26% to EUR 150.5 mn and the net profit in the amount of EUR 111.3 mn was 15% higher than in 2005. Net sales revenues of the parent company amounted to EUR 586.1 mn, an increase of 20%. The operating profit reached EUR 147 mn, which is 22% higher and the net profit amounted to EUR 113 mn, which is 21% higher than in 2005.

Krka is planning to maintain its market share and one of its most important goals is to expand to European and central Asian markets. Besides producing generic drugs, the company develops its own products and will in the future consolidate relations with its

licence partners. Krka anticipates a 15% increase in profit in the future years.

SHAREHOLDERS:

On 10th April 2006, ten largest shareholders owned a 39.66% stake of the company:

SHAREHOLDER	NO OF SHARES	% STAKE	CUMULATIVE % STAKE
SLOVENSKA ODŠKODNINSKA DRUŽBA, D.D.	531,207	14.99	14.99
KAPITALSKA DRUŽBA, D.D.	349,303	9.86	24.85
KRKA, D.D., NOVO MESTO	162,662	4.59	29.45
NFD 1 DELNIŠKI INVESTICIJSKI SKLAD D.D.	94,267	2.66	32.11
NEW WORLD FUND INC	64,051	1.81	33.92
BANK AUSTRIA CREDITANSTALT AG	47,857	1.35	35.27
DELNIŠKI VZAJEMNI SKLAD TRIGLAV STEBER I	44,847	1.27	36.53
LUKA KOPER, D.D.	42,103	1.19	37.72
ZAVAROVALNICA TRIGLAV, D.D.	38,830	1.10	38.82
MARIBORSKE LEKARNE MARIBOR	30,000	0.85	39.66

PERFORMANCE:



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FINANCIAL
DATA

ooo EUR	GROUP			COMPANY		
	2006	2005	06/05	2006	2005	06/05
INCOME STATEMENT						
Net sales revenues	667,955	554,137	21%	586,102	486,439	20%
Operating profit	150,495	119,057	26%	146,965	120,184	22%
EBITDA	198,200	164,849	20%	183,159	155,148	18%
Profit before tax	148,756	123,226	21%	147,250	118,300	24%
Net profit	111,287	97,182	15%	113,027	93,721	21%
BALANCE SHEET						
Total assets	878,691	788,054	12%	854,286	759,220	13%
Total equity	562,604	471,889	19%	569,918	476,300	20%
Minority interest	7,864	7,568	4%	-	-	-



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