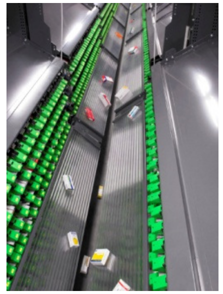
Results

First Half Year 2012/13

Investor Call
Mannheim, 27th September 2012

Dr. Michael Majerus
CFO



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Despite increasing market pressure, PHOENIX shows growth in gross profit and profit for the period

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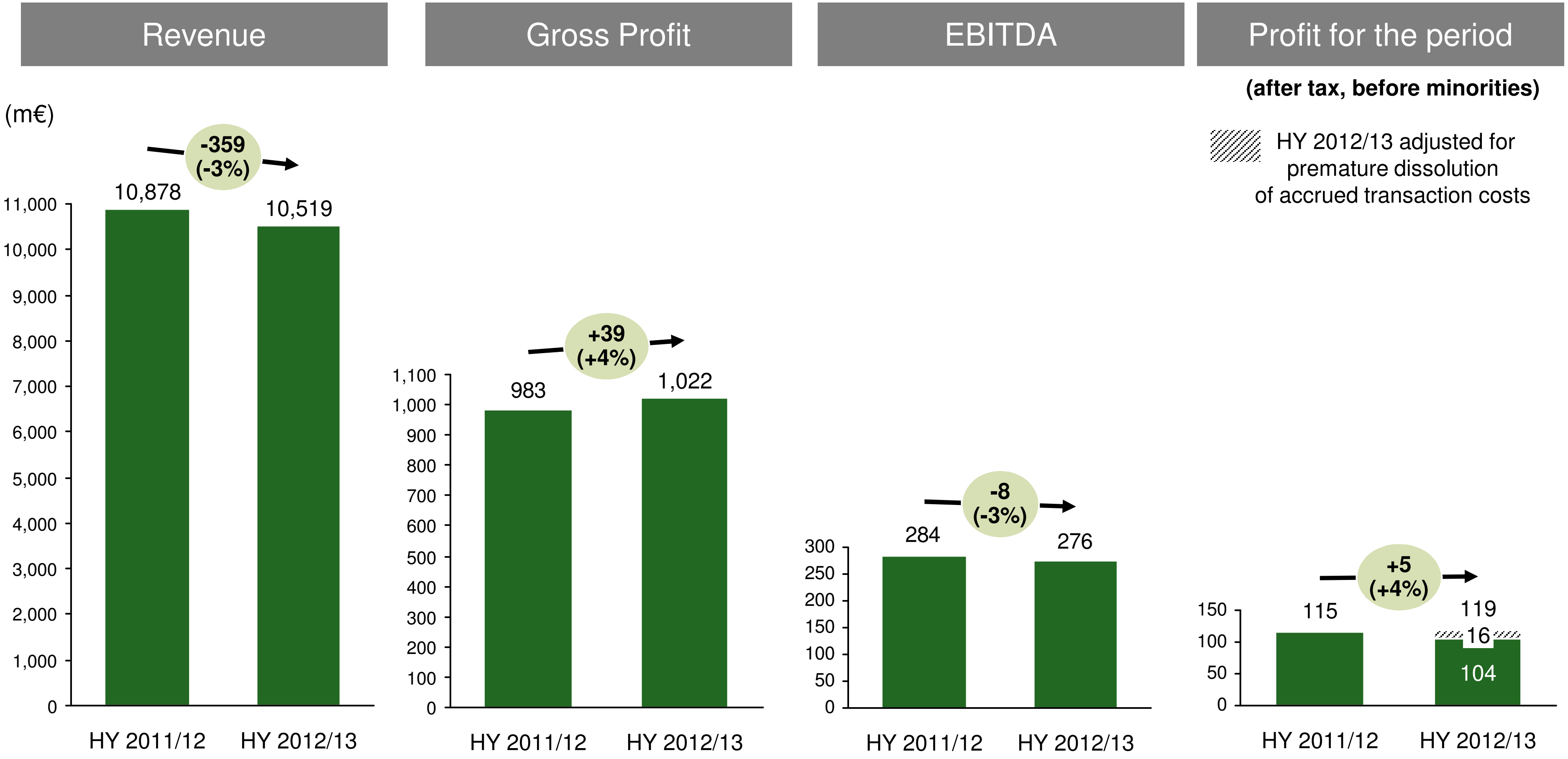

Despite the challenging market environment, the P&L shows an improved gross profit and adjusted profit for the period

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Profit & Loss (in m€)	1st HY 2011/12	1st HY 2012/13	Share of net turnover	Delta in %
Net turnover	**10,878**	**10,519**	**100%**	**-3.3%**
Cost of goods sold	-9,895	-9,497	-90.3%	-4.0%
Gross profit	**983**	**1,022**	**9.7%**	**4.0%**
Other income	75	74	0.7%	-1.5%
Personnel expenses	-501	-534	-5.1%	6.5%
Other operative expenses	-274	-287	-2.7%	4.8%
Result from associates and other invest.	2	2	0.0%	-2.4%
EBITDA	**284**	**276**	**2.6%**	**-2.9%**
Depreciation	-47	-50	-0.5%	7.7%
Financial result	-73	-79	-0.7%	7.9%
Profit before taxes	**164**	**147**	1.4%	**-10.7%**
Income taxes total	-50	-43	-0.4%	-13.1%
Profit for the period	**115**	**104**	**1.0%**	**-9.7%**
Adjusted profit for the period*	**115**	**119**	**1.1%**	**3.8%**

Developments

- Despite turnover reduction, **gross profit improved** (+39 m€ vs. PY) as a result of margin-oriented sales policy, additional higher-margin revenue, and the increasing share of retail business
- Gross profit improvement does not allow to fully compensate **increased personnel costs** (+33 m€ vs. PY) and **other costs** (+13 m€ vs. PY). Personnel costs increased due to normal progression of wages and also due to pharmacy acquisitions, as well as wholesale acquisitions in Italy. Other costs increased due to higher transport, maintenance, marketing, and consulting costs
- **Depreciation** increased due to higher investments in plant & equipment
- Excluding the one-time effect of the dissolution of transaction costs (-18.4 m€) triggered by the early refinancing of PHOENIX group, the **financial result** has improved thanks to the reduced net debt and better financing conditions
- **Tax rate** is improved from 30.3% to 29.4%
- In consequence, the **adjusted profit for the period** is above the level of the prior year's first half year

* Adjusted for the dissolution of accrued transaction costs due to premature refinancing

PHOENIX group's optimized financial structure improves the interest result

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Financial result (in m€)	1st HY 2011/12	1st HY 2012/13	Delta
Interest income	16.9	14.1	-2.7
Interest expenses	-87.1	-75.2	11.9
Interest result	**-70.2**	**-61.0**	**4.2**
Dissolution of transaction cost due to premature refinancing	0.0	-18.4	-18.4
Other net financial result*	-2.8	0.8	3.5
Financial result	**-72.9**	**-78.7**	**-5.8**

Developments

- Reduction of interest income due to lower interest from customers
- Lower interest expenses are mainly driven by reduced debt and optimized interest rates
- Most influencing factor is the premature refinancing of PHOENIX group, resulting in the dissolution of corresponding transaction costs

* Other net financial result comprises
- "other financial income and expenses",
- "financial income and expenses from derivatives" as well as
- "exchange rate gains and losses" related to the financial result

PHOENIX continues its committed path of strengthening its balance sheet

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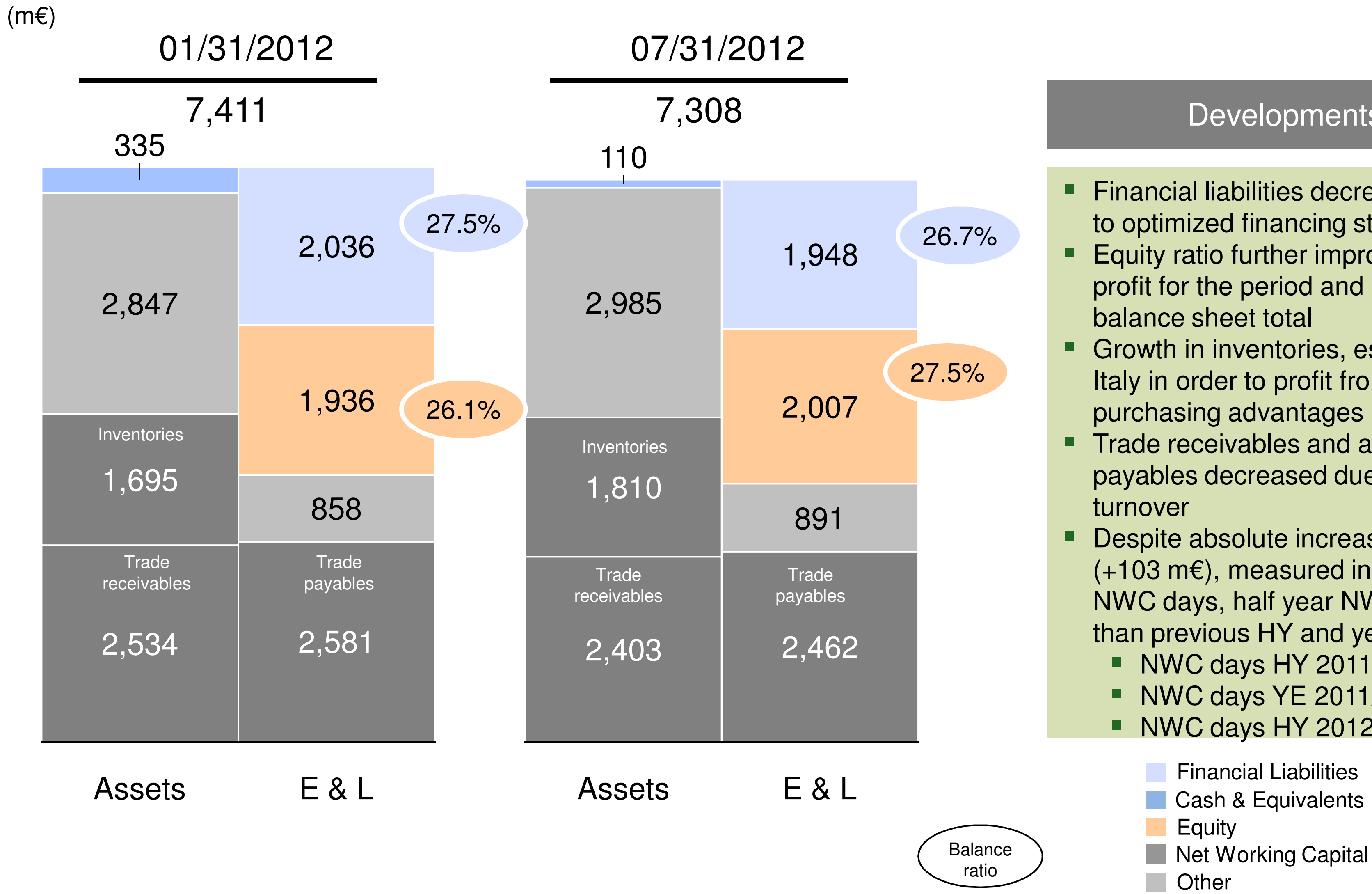
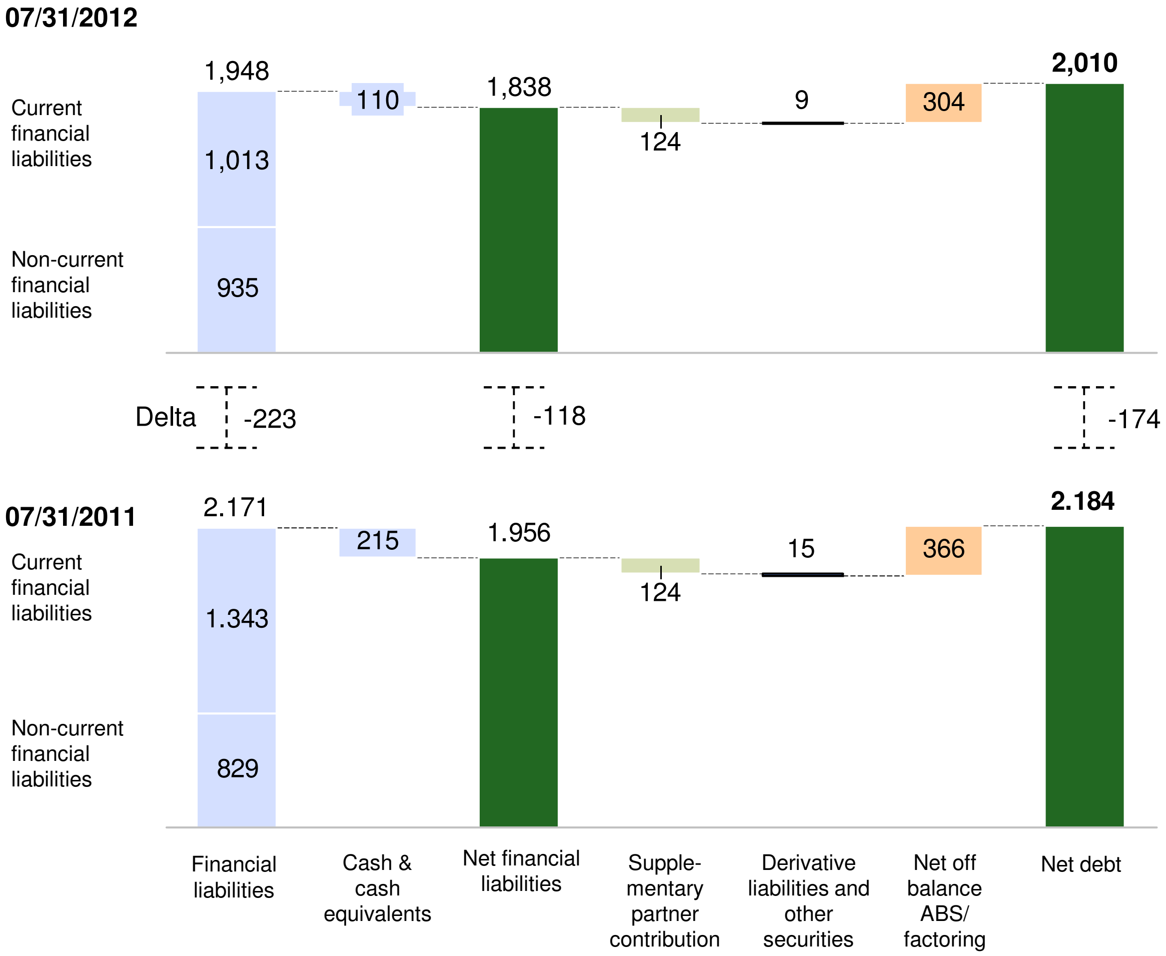


Developments

- Financial liabilities decreased due to optimized financing structure
- Equity ratio further improved by profit for the period and reduced balance sheet total
- Growth in inventories, especially in Italy in order to profit from purchasing advantages
- Trade receivables and also trade payables decreased due to lower turnover
- Despite absolute increase of NWC (+103 m€), measured in average NWC days, half year NWC is lower than previous HY and year end:
  - NWC days HY 2011/12: 39.5
  - NWC days YE 2011/12: 39.9
  - NWC days HY 2012/13: 38.1

Net Debt has significantly improved compared to previous year

(m€)



Developments

- Reclassification within financial liabilities due to new SFA:
  - Tranche with 300 m€ for 4 years within long term liabilities
  - Revolving facility (max.1.05 bn€) as needed within short term liabilities
- Net Debt reduction of 174 m€ compared to HY 2011/12:
  - Reduction of net financial liabilities by 118 m€
  - Reduction of ABS/factoring by 62 m€

Successful refinancing 2012

Sound group financing

- On **21 June 2012**, PHOENIX concluded a **1.35 bn€ syndicated facilities agreement** with 15 German and international banks
- The **maturity of the new facility** is **four years** (term loan; 300 m€) and **five years** (revolving credit facility; 1.05 bn€), respectively
- The new bank financing is **unsecured.** The financing is guaranteed by the same group subsidiaries that also guarantee the existing 506 m€ bond
- The **existing syndicated facilities agreement from 2010** (originally EUR 2.6 bn€; reduced to EUR 1.485 bn€) was **prematurely redeemed**
- Thanks to the new agreement, **PHOENIX group further enhanced its entrepreneurial freedom**
- The **successful refinancing** was strongly supported by **PHOENIX group's attractive business model** and the **consequent reduction of indebtedness in recent years**
- PHOENIX group has a **well-diversified corporate financing structure**
- Both **Standard & Poor's** as well as **FitchRatings** have updated the PHOENIX bond rating to the same level as the **company's ratings of BB with stable outlook**

The renewal of the syndicated bank facilities improves the maturity profile

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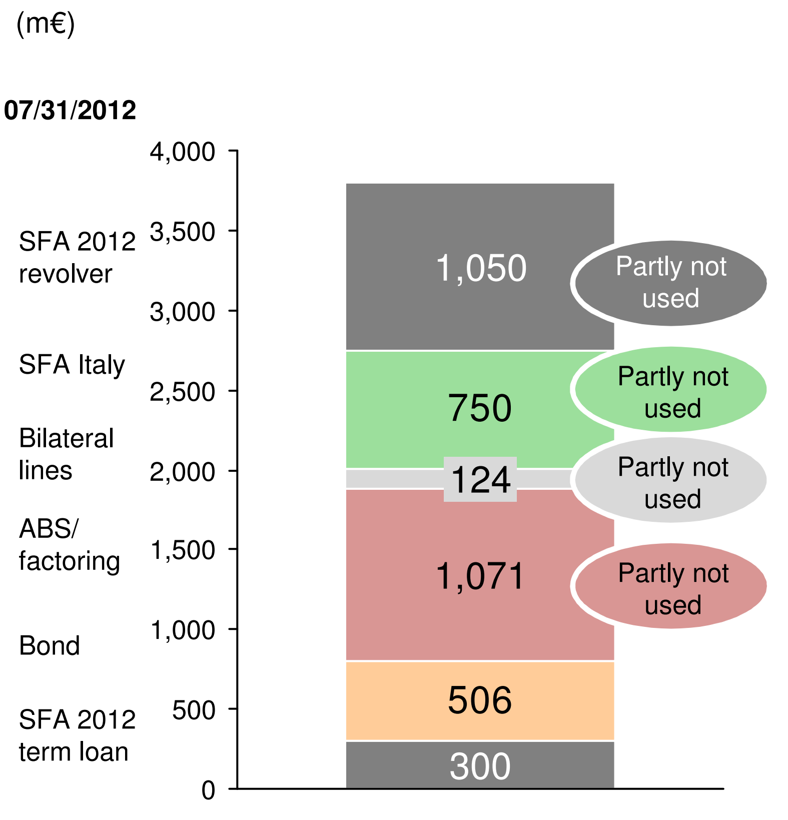
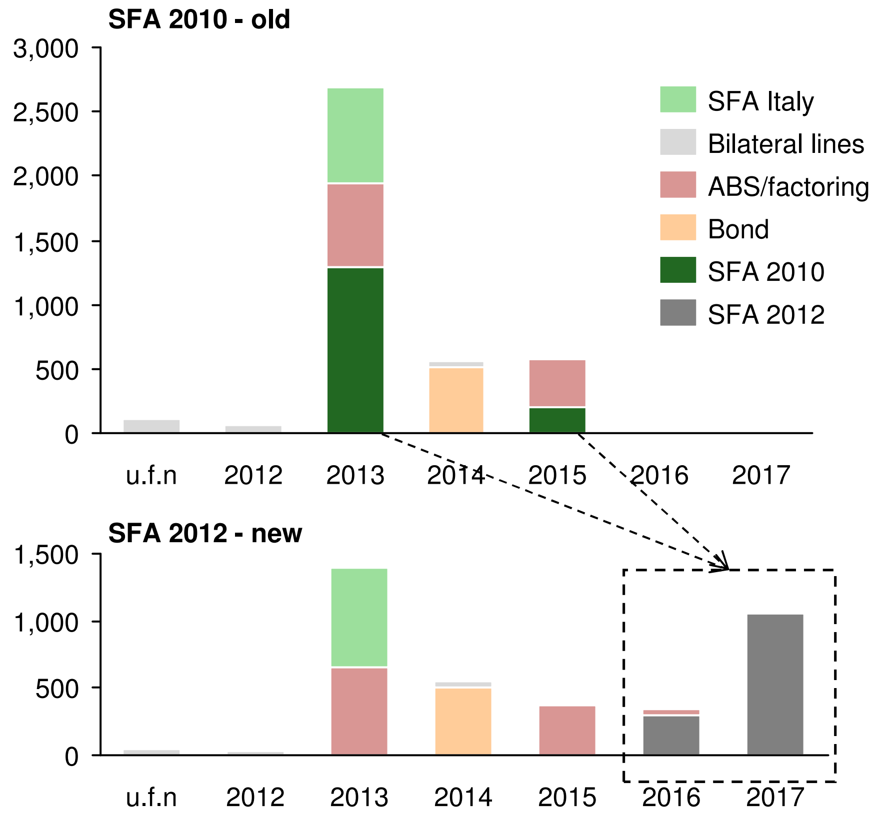
Financial facilities and headroom



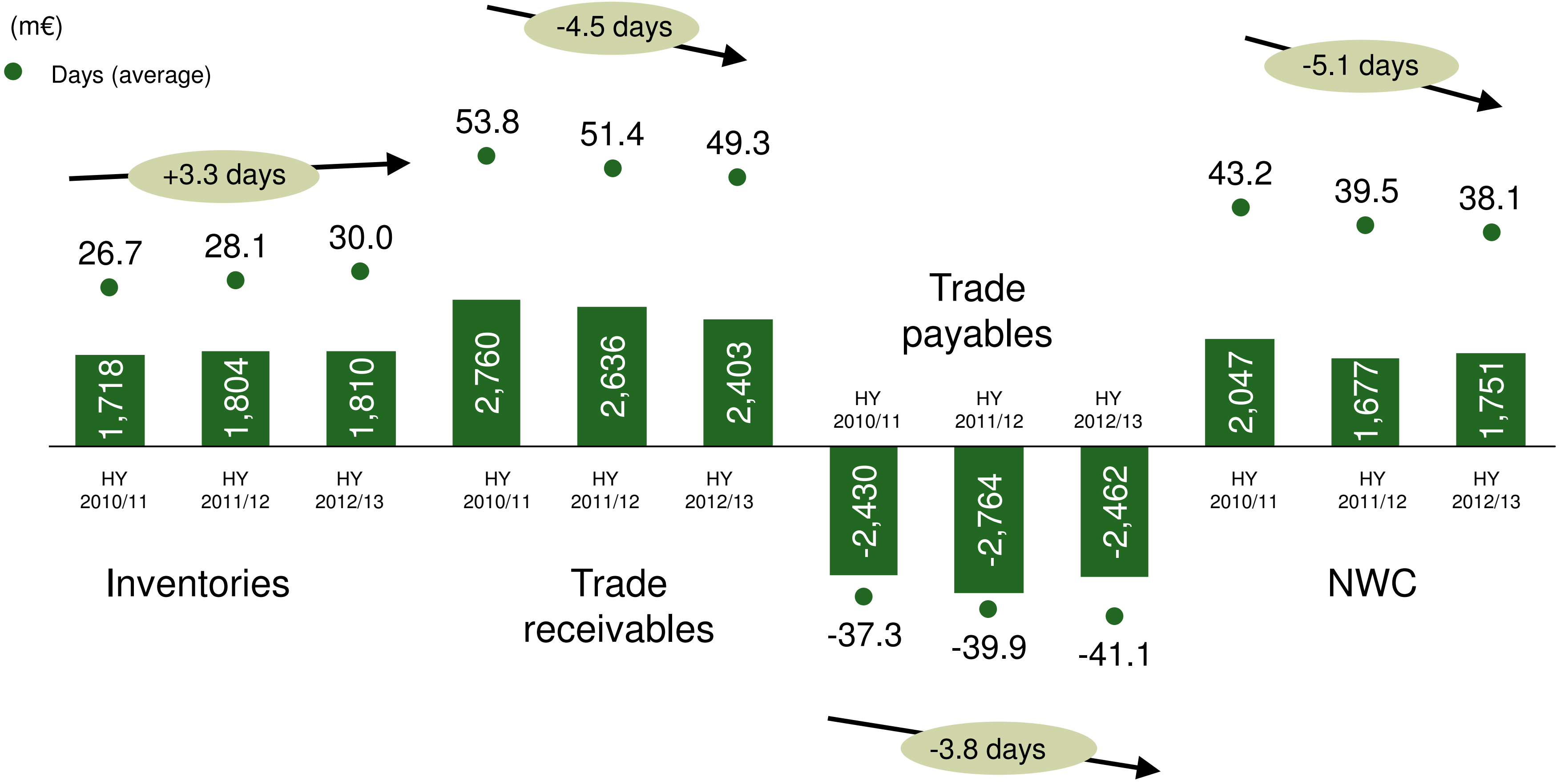
- Diversified financing structure
- Significant financial headroom and efficient utilisation of cash allowed reduction of credit lines

Debt maturity profile



- Renewal of SFA extends the duration and better distributes the maturities
- Also, ABS/factoring extended to some parts

The active management of net working capital shows significant improvements

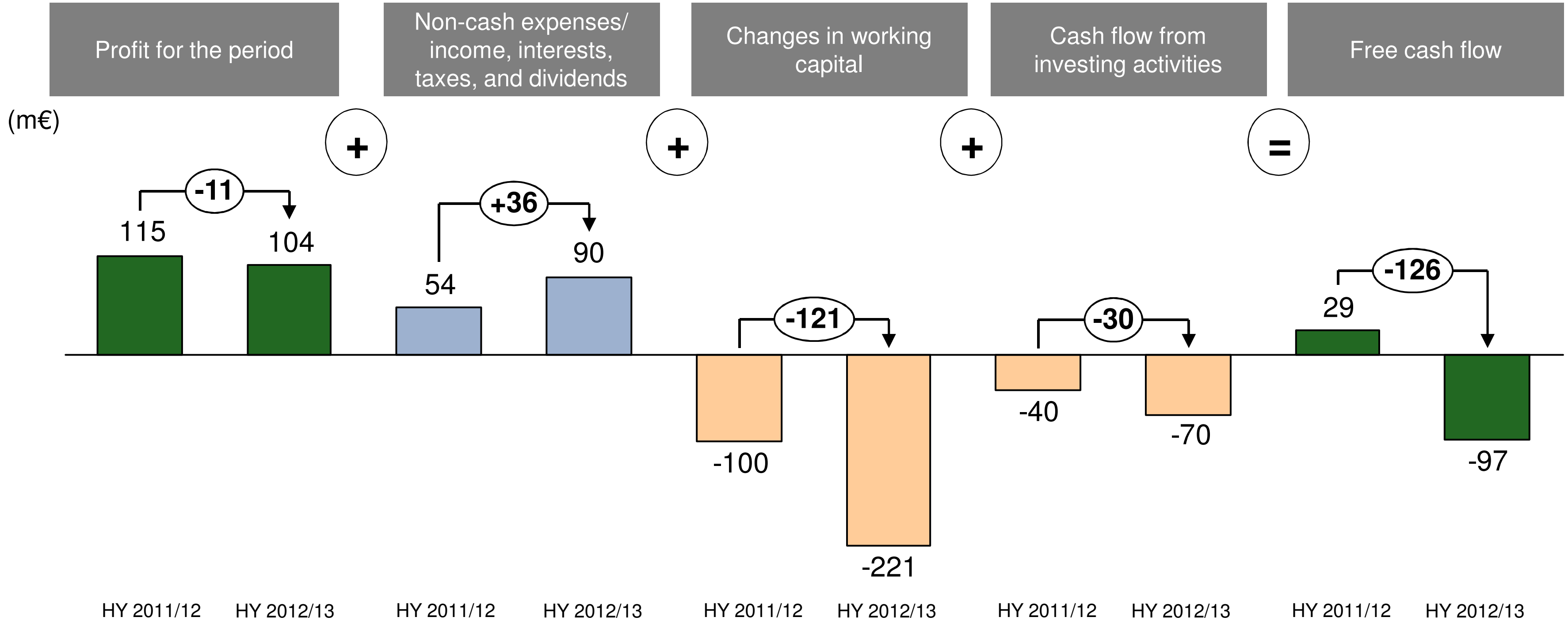


Key Achievements

- Slight increase in stock due to acquisitions, but also to profit from purchase advantages in Italy
- Decrease of trade receivables due to lower turnover, but also to ongoing local optimization
- Payables absolutely decreased (lower turnover), but on daily bases significantly improved
- Overall, significantly improved NWC

- Balance sheet figures as externally reported
- Net working capital days: Average figures for the respective period; figures including ABS/factoring; may include rounding differences

The cash flow for the first half year shows a negative free cash flow – due to exceptional items in working capital



Cash flow development

- Lower profit for the period due to negative effect within financial results by dissolution of transaction costs due to premature refinancing
- Second column is especially higher due to inverse effect of the dissolution of the transaction costs (-18,4 m€ non-cash expenses)
- Increase in overall working capital, due to a small increase of NWC, increase of reserves in ABS factoring due to different effects, and higher payments of other taxes
- Cash flow from investing activities decreased compared to last year due to higher investments in fixed assets and lower cash inflows from the disposal of assets
- Free cash flow is negative due to the change in working capital

Summary: Development of key credit indicators

	01/31/2012	07/31/2012	Delta
Equity (in m€)	1,935.6	2,006.8	3.7%
Equity Ratio	26.1%	27.5%	1.4pp
Net Debt (in m€)	1,855.7	2,010.1	8.3%
Gearing (Net Debt/Equity)	95.9%	100.2%	4.3pp
	HY 2011/12	**HY 2012/13**	**Delta**
EBITDA (in m€)	284.3	276.4	-2.8%
EBITDA-Margin	2.6%	2.6%	0.0pp
Adjusted EBITDA* (in m€)	298.4	288.2	-3.4%
Adj.-EBITDA-Margin*	2.7%	2.7%	0.0pp
Net Debt / Adjusted EBITDA* (LTM)	3.54	3.61	2.1%
Interest Coverage Ratio (EBIT / Interest Expenses)	2.7	3.0	11.1%
Profit before tax (in m€)	164.5	147.3	-10.5%
PBT-Margin	1.5%	1.4%	-0.1pp
Profit after tax (in m€)	114.7	103.5	-9.7%
PAT-Margin	1.1%	1.0%	-0.1pp
Adjusted profit after tax (in m€)**	114.7	119.4	4.1%
Adjusted PAT-Margin	1.1%	1.1%	0.0pp

* Adjusted EBITDA according to Bond definition
** Adjusted for the dissolution of accrued transaction costs due to premature refinancing
LTM = Last twelve months

The price of the PHOENIX bond is now at approximately 112% of the nominal value

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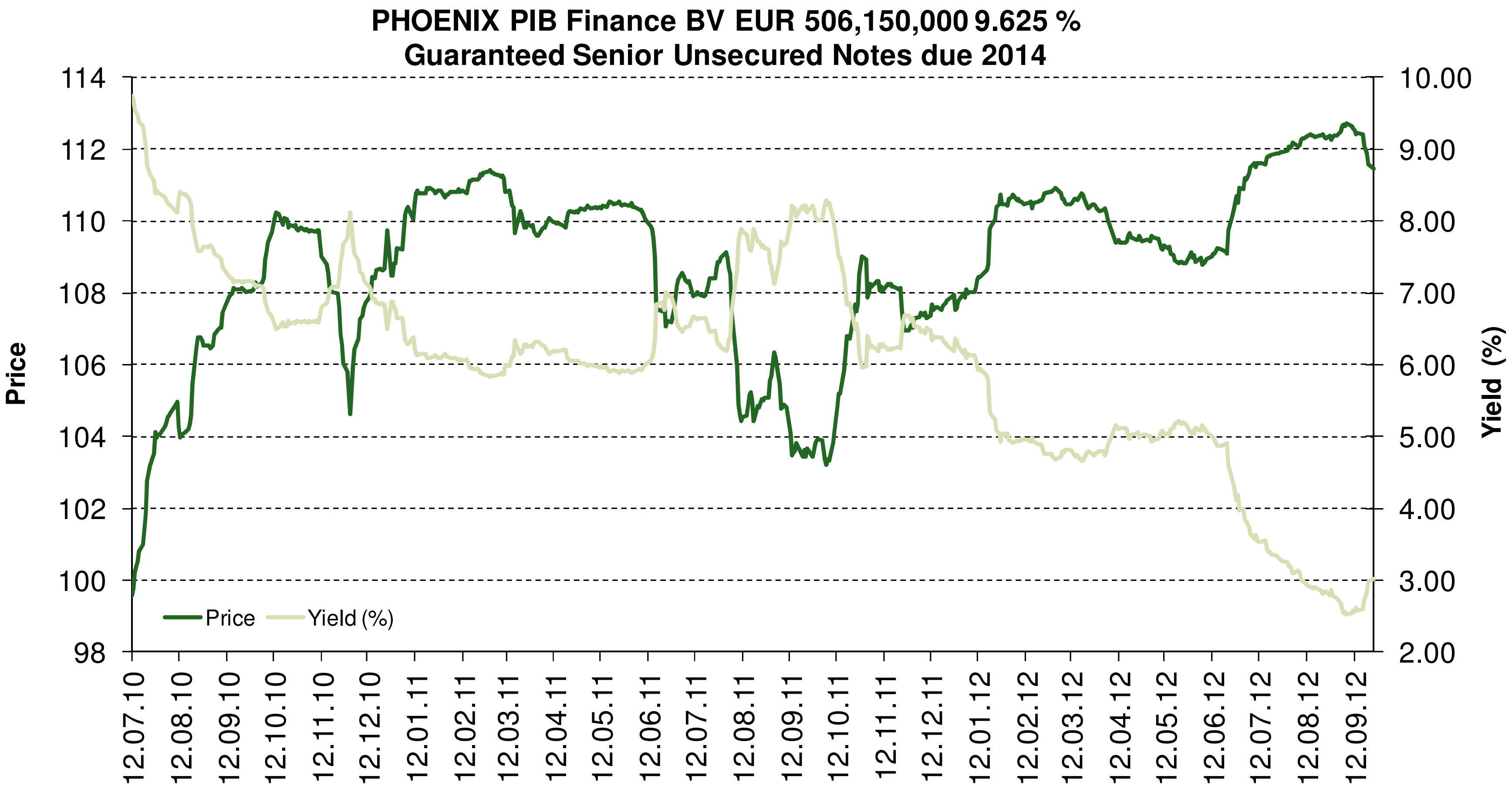

Bloomberg, 25.09.2012

The outperformance of the PHOENIX bond is shown by the spread to the high yield index

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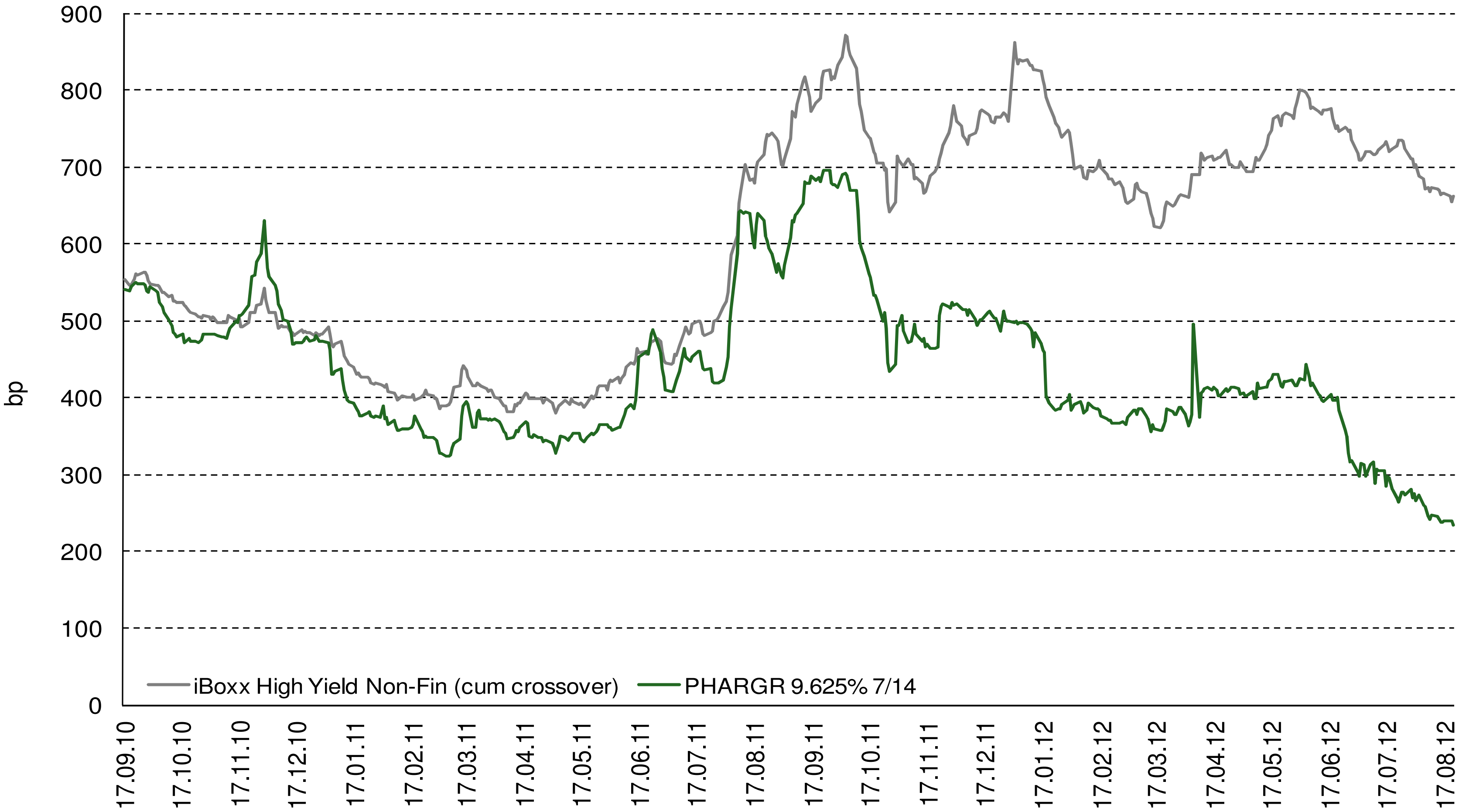
Credit spread* (in bp)



UniCredit, 22.08.2012 * Yield to maturity minus swap rate

iBoxx High Yield Non Financial Cum Crossover Index

PHOENIX group with unchanged stringent financial policy

Deleveraging strategy	▪ Further deleveraging is integral part of PHOENIX's financial policy and is backed by its main shareholders ▪ Net Debt/EBITDA target of around 3.0x ▪ PHOENIX is confident to reach its leverage target in the next two years
Carefully managed acquisition activity	▪ PHOENIX's growth strategy is focused on above market organic growth ▪ Profitable and financially sound add-on acquisitions (mainly pharmacies) may also be pursued, but only within a predefined acquisition budget

Financial calendar 2012/13

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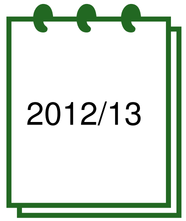
Reporting Event	Date
3rd Quarter Results	12/20/2012



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