



DIAGNOSTIC

EyeCare Together

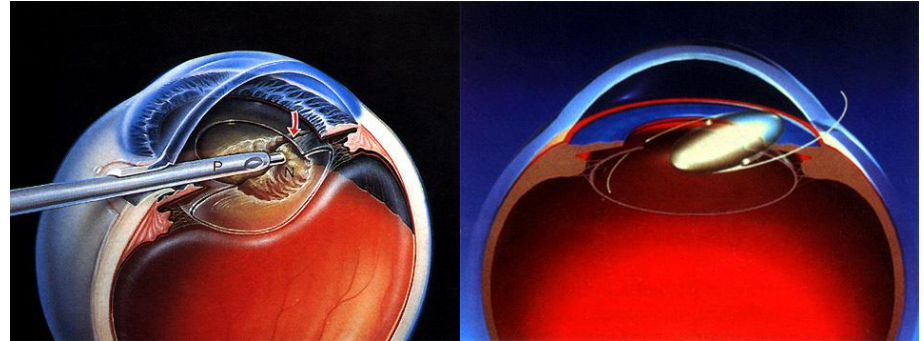
Solving
Together
the riddle of sight



Executive Summary



- Company
- Market
- Strategy
- Product Portfolio and Pipeline
- Technology
- Sales
- Financial
- Exit strategy



Company



SIFI SpA

Pharmaceutical division

330 employees

Since 70 years leader in EyeCare

Surgical Division

36 employees

Founded in 1996

Innovative plant for IOL production

Introduced on the market in 2008

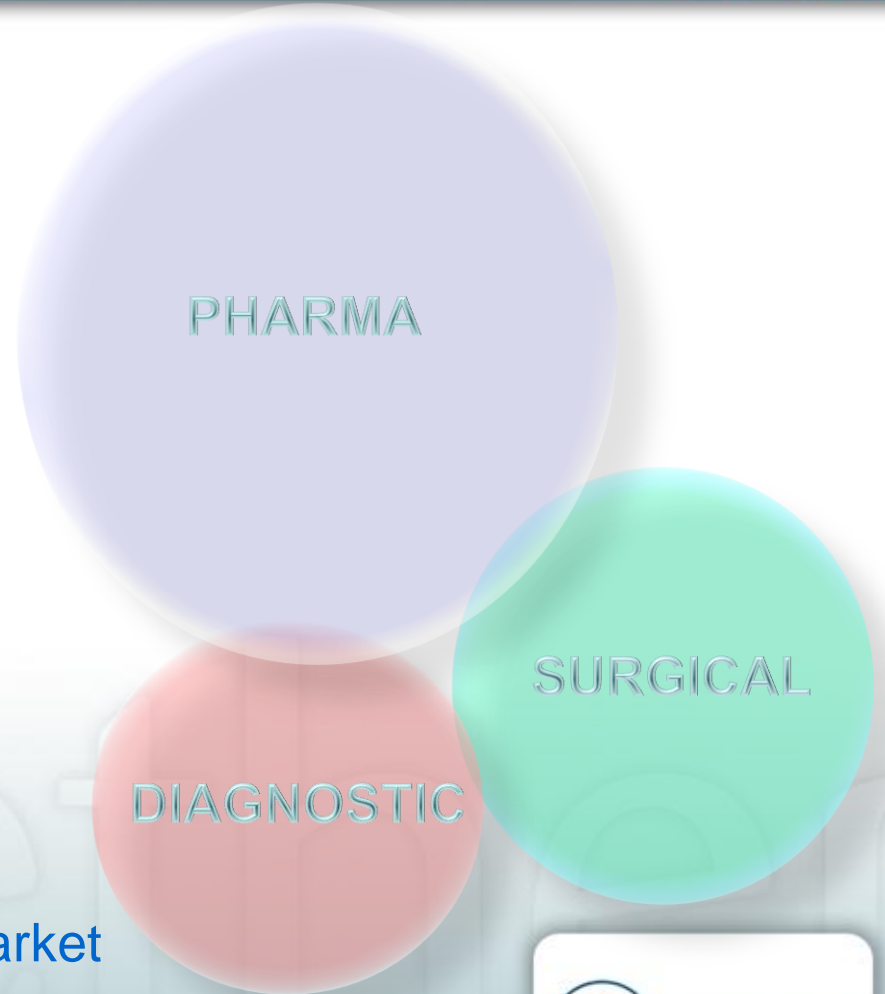
SIFI Diagnostic SpA

26 employees

founded April 2006 by Sifi

Strong know how and network

Instruments introduced recently on market

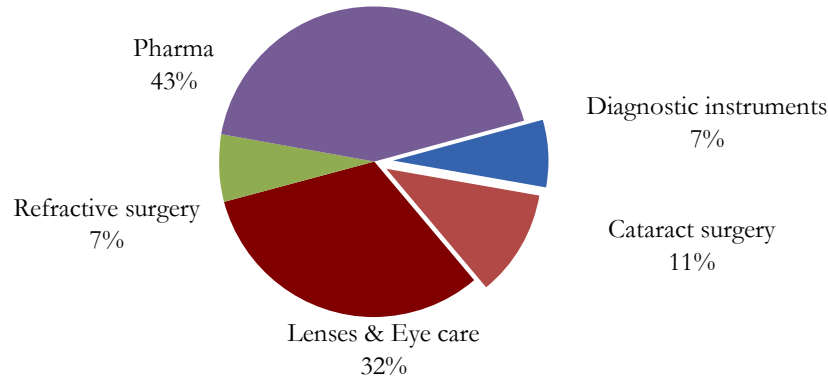


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Market

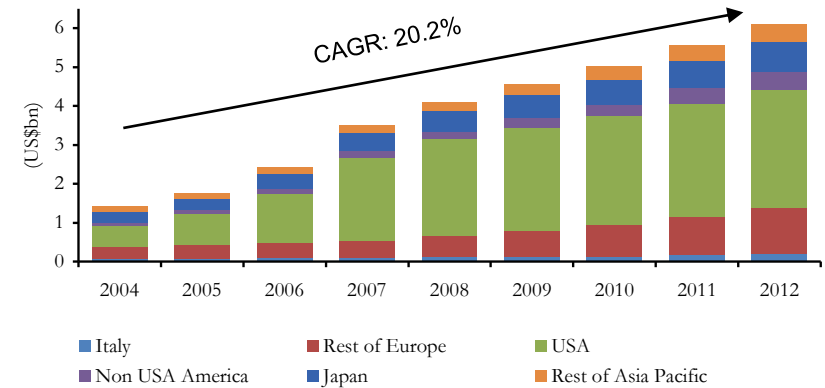


Ophthalmic products market 2006
(dimension: US\$22.6bn)

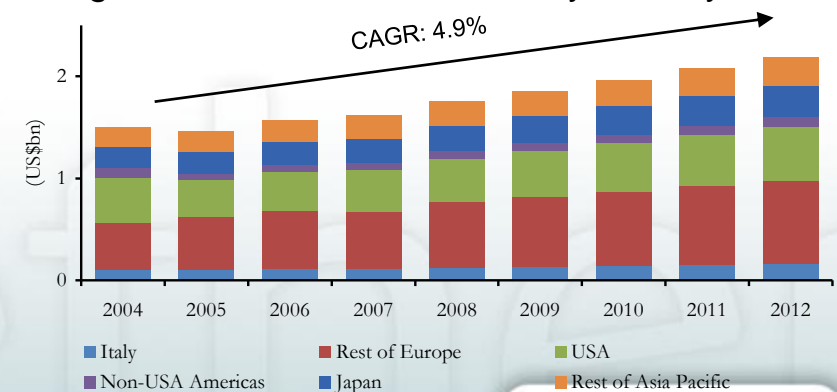


- Market growth influenced by:
 - Demographic expansion
 - Aumento delle aspettative di vita dei pazienti
- Key product in cataract surgery core business are IOL (Intra Ocular Lenses)
- Diagnostic instruments include a wide range of devices for main ocular pathologies diagnosis.
- **2,2 b€ market segment 2006 , (200 m€ in Italy)**
- **High growth rate more than 17%**

Cataract surgery – sales by territory



Diagnostic instruments – sales by territory



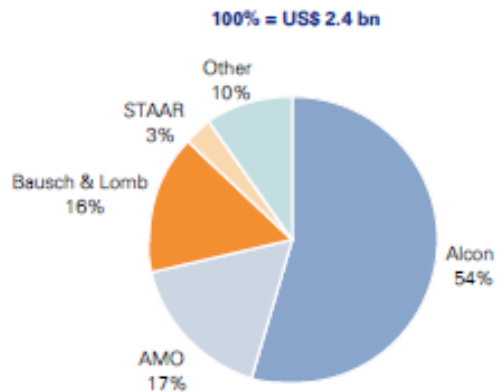
Source: Medmarket diligence



Market: Competitors

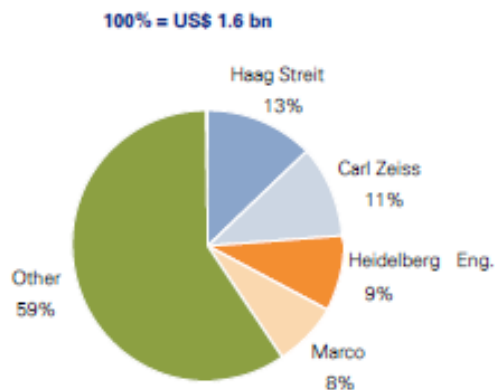


Global Competition in Cataract Surgery Market - 2006



Source: Medmarket Diligence, World Ophthalmology, 2006

Global Competition in Diagnostic instrument Market - 2006



Source: Medmarket Diligence, World Ophthalmology, 2006

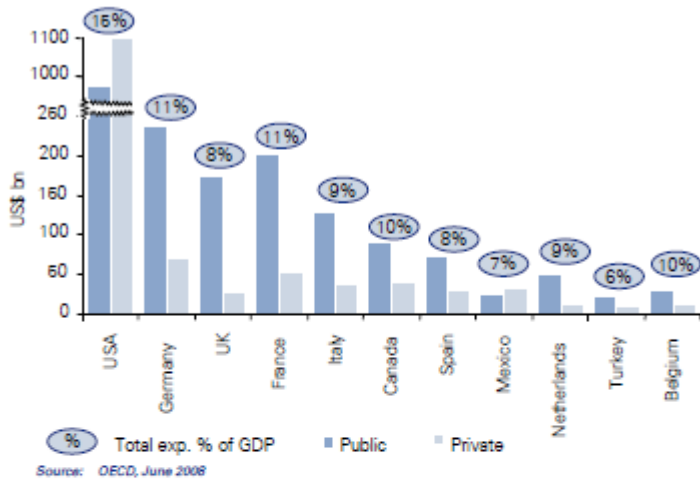
- **Cataract surgery market** main players are:
 - **Alcon**, active also in pharmaceutical market, Novartis has shares and option for control.
 - **Abbott Medical Optics**, specialized on refractive and cataract surgery.
 - **Bausch&Lomb**, active also in pharmaceutical and contact lenses market. Strong in Europe, recently entered in the IOLs market.
 - **Carl Zeiss Meditec**, leader in diagnostic since many years recently entered in the IOLs market.

- **Diagnostic instrument market** main players are:
 - **Haag Streit**, leader in Europe mainly for slit lamps
 - **Carl Zeiss Meditec**, market leader in high tech diagnostic instruments
 - **Hidelberg**, high tech diagnostic instruments
 - **Marco**, very strong in USA, mainly distributor

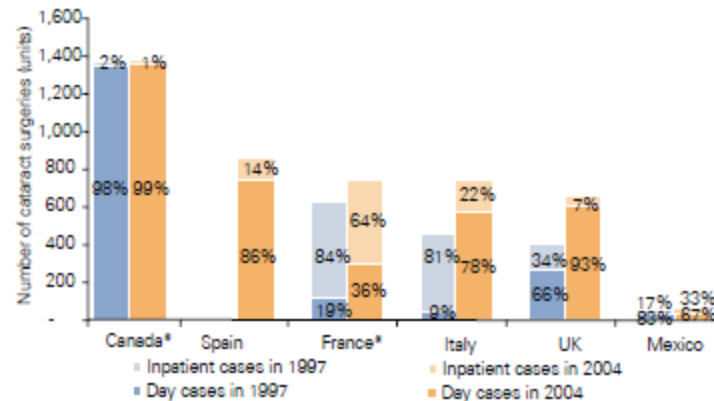
Growth drivers



Healthcare expenditure - 2006



Number of cataract surgeries, inpatient and day cases, per 100.000 population - 1997 vs. 2004



Healthcare funding - Private insurance trend in Italy (1998 - 2005)



- Growth drivers for medical devices are:
 - Private and public **healthcare expenditure** growth
 - **Cataract** surgery growth
 - Patient **segment enlargement**, early cataract with eye defect high quality correction (x10 market growth in 5 year)
 - **Third age quality of vision**



Strategy : new company



Surgical

Diagnostic

Marketing

- **Focus on Cataract surgery segment** with a diagnostic platform (ASA, RTT, WASA, LPS) and innovative IOLs personalizing solutions. (synergy)
- Pre surgery diagnostic, real time diagnostic during surgery, post surgery control and visual ability measurement. (patient will be followed from the beginning to the end of therapy)

Sales

- **Join sales structure for Italian and foreign market**
- Focus on Italian market first, acquiring share, direct sales structure present (Surgical)
- Strong growth in Europe in 3 years by distributor structure, main countries covered (Diagnostic)
- Enter USA market with main player partnership contract for distribution (on going)

Production

- IOLs production plant “state-of-the-art” di IOLs located in Catania.
- Provide capability for new designs and materials development **personalized IOLs**

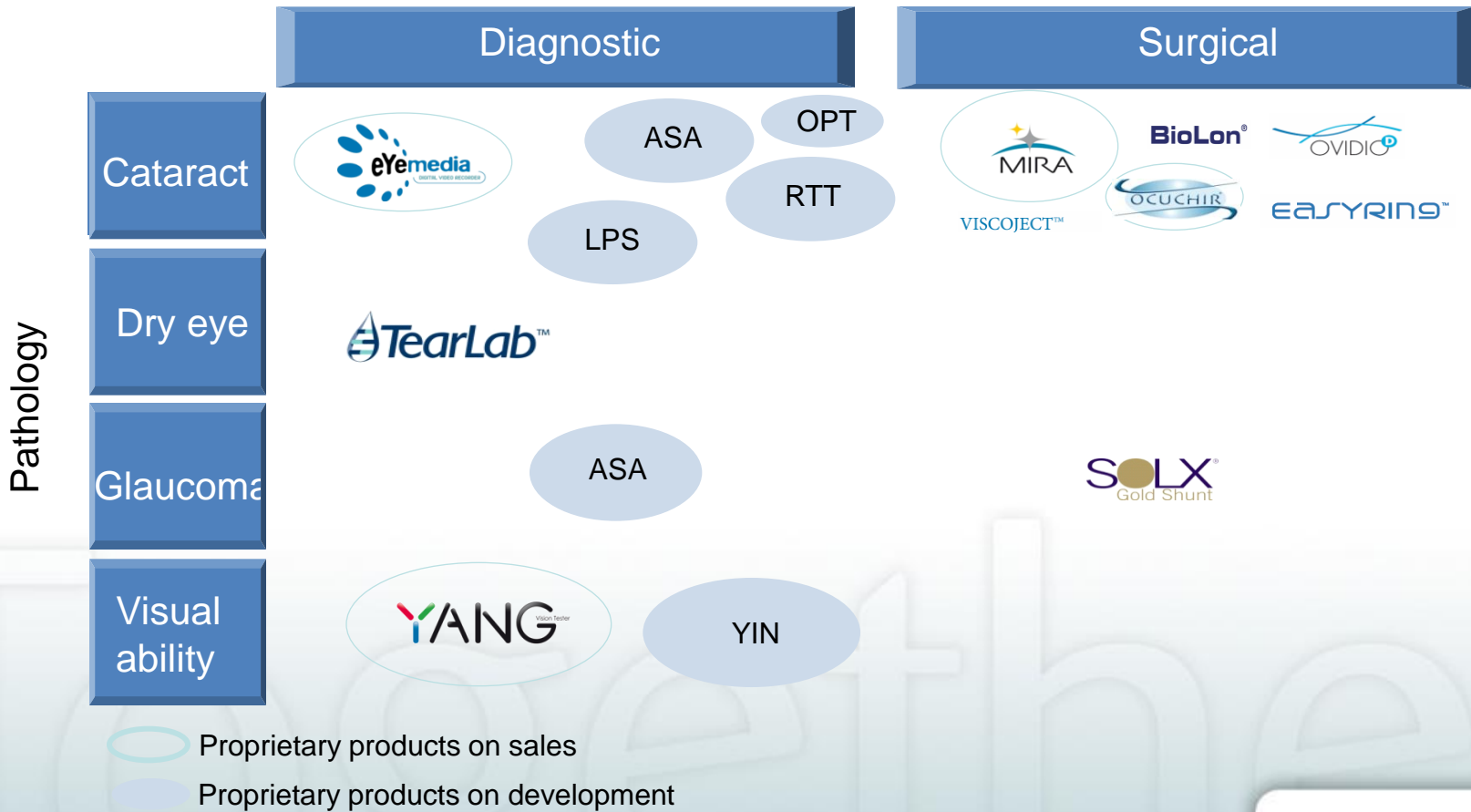
- Experienced Technical group located in Treviso plant, for high tech production
- Outsourcing plan for assembly for cost reduction..

Research & Development

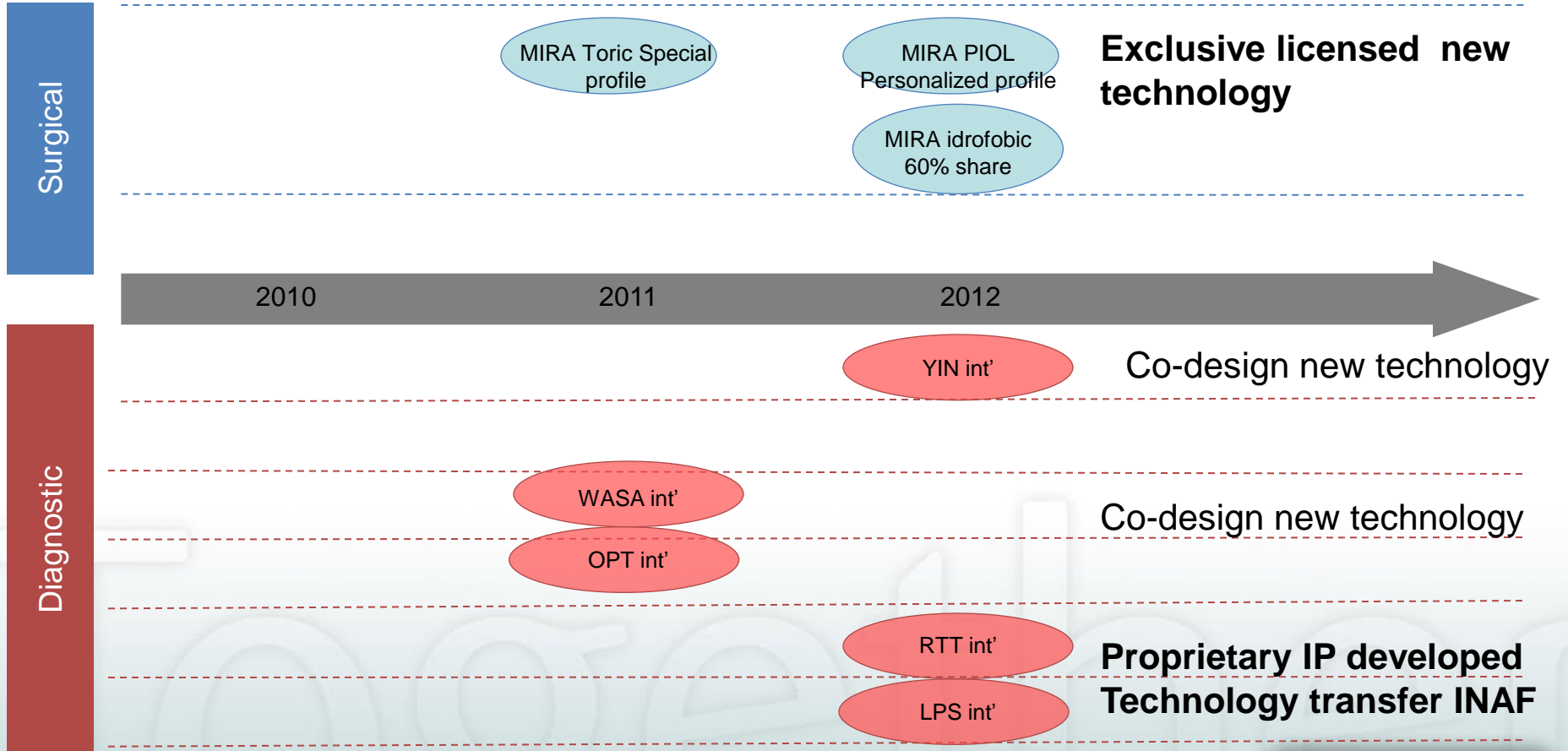
- Development of **innovative proprietary technology** in Diagnostic and IOLs
- **Strong IP protection**
- Already contracted subsidiary technology and rights



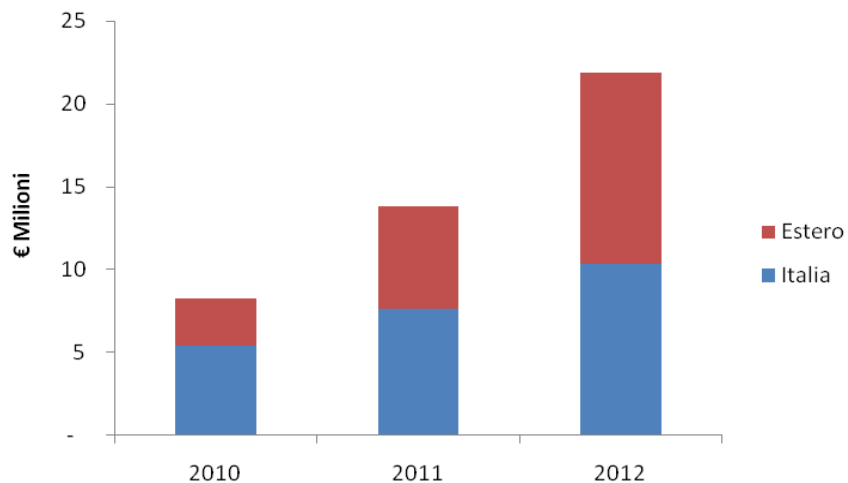
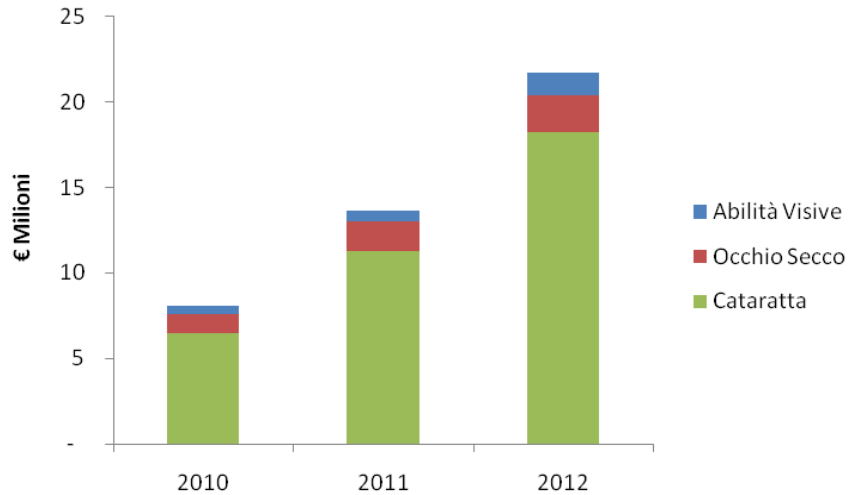
Product portfolio & pipeline



Development & technology



Sales



- **Base target is Italian market share of 5%. Sales are forecast more than 40 mil € for the first 3 years, more than 100 mil € in a 5 years time base**
- **Cataract** main sector:
 - IOLs MIRA will generate sales for 2012 € 10,1 mil;
 - Main diagnostic instruments generate sales for 2012 about € 4,0 mil;
- **Dry Eye** business, (Italy distribution agreement), 2012 about € 2,2 mil.
- **Visual ability** segment 2012 about € 1,3 mil.
- **Foreign sales** will reach more than 50% in 2012

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Financial



	2010		2011		2012	
Sales	8.223	100%	13.780	100%	21.866	100%
Costs	11.302	137%	13.479	98%	17.728	81%
Cost of goods	5.121	62%	6.489	47%	9.724	44%
Commercial costs	3.680	45%	4.340	31%	4.720	22%
Development costs	202	2%	225	2%	718	3%
G&A costs	2.300	28%	2.425	18%	2.567	12%
Gross margin	-3.079	-37%	301	2%	4.138	19%

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Investments: founding



	2010	2011	2012	
Surgical				3.153
PIOL (Personalized IOL)	843	513		
ALIC (low impact injection system)	89	352		
Idrofobic technologie	452	712		
other new shapes	183	9		
Diagnostic				2.191
ASA senior models	330	205		
LPS more precise diagnostic system	377	522	348	
RTT real time surgery control	264	135	10	
Common costs				704
others	155	182	367	
Capitalized R&D costs	2.693	2.630	725	6.048

Grants Regione Veneto funds 600

numbers are x1000 €



Exit strategy



- selling new Company
- quote new Company
- new Venture Capital
- main market player entering in capital

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Thank you

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