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Comparable figures refer to last year's corresponding period unless otherwise stated.

TAMRO GROUP INTERIM REPORT FEBRUARY–OCTOBER 2010: POSITIVE PROFIT DEVELOPMENT CONTINUED

Third-quarter highlights

- Tamro Group net sales in August–October 2010 amounted to EUR 1,475 million, an increase of 7.6%. The increase in sales is driven by organic growth in several markets, accounting for 4.2%, but also by strengthened foreign currencies, for the remaining 3.4%.
- Operating profit for August–October amounted to EUR 33.5 million, up by nearly EUR 6 million. The profit increase resulted from operational improvements in the Nordic and Baltic countries. In addition, the profit development is positively affected by foreign exchange rates and lower costs from the Swedish operations due to the divestment of retail operations at the end of the first quarter of 2010. Profit before taxes for August–October totalled EUR 32.8 million, up by more than EUR 7 million.
- During the reporting period, Tamro Group's independent external financing arrangements were discontinued and consolidated with the parent company, PHOENIX Pharmahandel GmbH & Co KG.

Tamro President & CEO Juha Koponen:

“Tamro Group's third-quarter results show further positive development despite a modest average market growth of only 1% in the Nordic region. The main reasons for our improved profit are operational improvements, tight cost control, and favourable exchange rates. Continuous cost-efficiency and the development of retail business will remain high on our agenda, and we expect solid profit development for the rest of the financial year. Market growth will remain slow in the coming months although the economic situation in the Baltic countries may show a modest improvement.”

Group key figures

	8–10	8–10	Change	2–10	2–10	Change
	2010	2009	%	2010	2009	%
Net sales, mEUR	1,475	1,370	7.6	4,344	4,051	7.2
Operating profit, mEUR	33.5	27.6	21.4	99.2	87.7	13.1
Profit before taxes, mEUR	32.8	25.7	27.6	98.2	79.1	24.1
Return on capital employed, %	32.4	27.4		31.9	28.8	
Personnel, average	5,477	5,534	-1.0	5,474	5,518	-0.8

Outlook for the full year 2010/2011

Tamro Group's operating profit for 2010/11 is expected to show clear improvement from the previous year's figure. The profit increases will arise from operational efficiency, positive foreign exchange rates and the divestment of Swedish retail activities. Pharmaceutical market growth is expected to remain on a low level in the Nordic countries. The economic situation in the Baltic countries is expected to stabilise and show signs of modest recovery.

The interim figures are unaudited.

Tamro Corporation
Board of Directors

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This interim report has been released on Tamro Group's web site at www.tamro.com. Tamro's image bank can be found on the same web site.