



- The pharmaceutical market in Lithuania grew by 5% in 2001.
- UAB Tamro's net sales grew to EUR 39.4million, up 28.3% from the previous year.
- UAB Tamro's target is to further improve its efficiency and to strengthen its position in the market.

Operating environment and markets

The pharmaceutical market in Lithuania grew by 5% in 2001 and amounted to EUR 185 million. The market is very fragmented, with over 30 pharmaceutical wholesalers. Good distribution practice (GDP) requirements for pharmaceutical wholesalers according to EU directives will be obligatory for all wholesalers as of 2003. UAB Tamro, like all Tamro's wholesale units, is already following GDP requirements.

The imbalance between expenditures and incomes at governmental insurance institutions continued, and the debts of sick funds to pharmacies on prescribed medicines increased the financial expenditure of wholesalers.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	39.4	30.7	28.3%
Employees	86	149	-42.3%

Tamro is the second biggest pharmaceutical wholesaler in Lithuania. The main focus was on increasing productivity and profitability and on saving costs, and these objectives were reached. Warehouse and call centre productivity in UAB Tamro doubled during 2001 and the company's profitability exceeded targets.

Outlook for 2002

In Lithuania the imbalances in the sick funds pose a marked financial risk and the market growth is mainly dependable of the development of the reimbursement system. UAB Tamro's target is to further improve its efficiency and to strengthen its position in the market. New technology solutions will be used in customer relation management.

Net sales



Personnel



Share of consolidated net sales

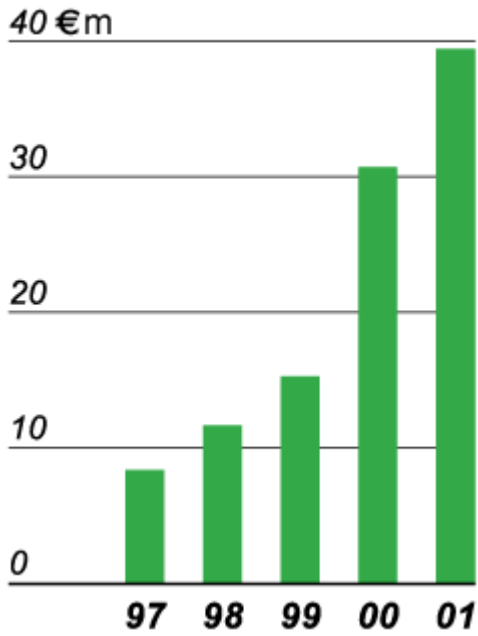


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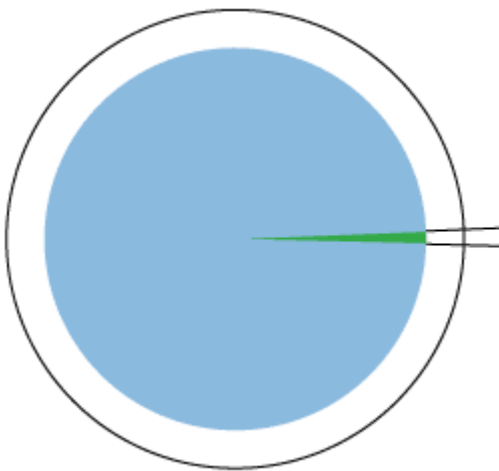
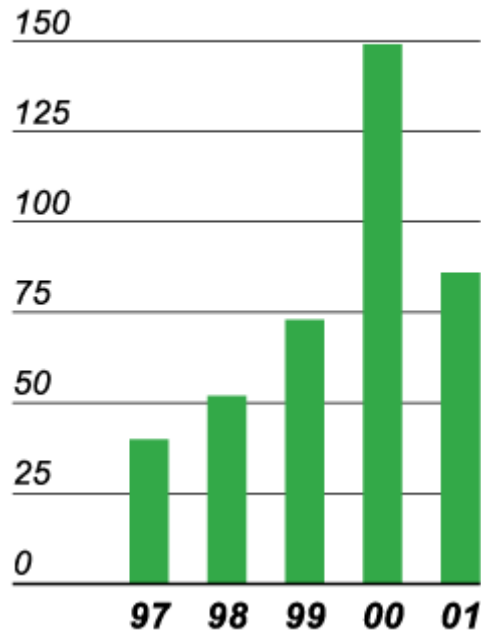




Net sales



Employees



Share of consolidated net sales 1%

