



RAPID GROWTH AND EXPANSION

\$173.7M

2000
Acquired remaining 52% of the shares of the York Mills Operations not previously owned

\$85.3M

1999
Strengthened presence in Europe by acquiring Bourgoin-Jallieu, France and Swindon, U.K. sites

\$48.0M

1998
Established presence in Europe and added sterile Rx capability by acquiring Monza, Italy site

\$36.9M

1997
Added high-potency Rx capability and PDS capacity by acquiring Toronto Region site

\$28.2M

1996
The Patheon story introduced to investors as part of a new equity financing that raised C\$14.4 million

\$23.8M

1995
Established a dedicated Pharmaceutical Development Services (PDS) team

Added Rx capability with investment in Toronto York Mills site

EMERGING

NEW ERA

\$470.3M

Acquired MOVA Pharmaceutical Corporation on December 23, 2004

2004

Four of our clients' newly approved Rx drugs moved from development to commercial manufacturing in Patheon's facilities, bringing the total to 10 such products since 2001

Achieved positive FDA inspections of newly expanded lyophilization capabilities at Monza and Ferentino facilities

\$407.1M

2003

Launched PDS units at Cincinnati and Ferentino sites

\$266.1M

2002

Established a platform in the U.S. market by acquiring Cincinnati site

Added more lyophilization Rx capacity by acquiring Ferentino (Rome) facility

Expanded lyophilization Rx capacity at Monza and Ferentino facilities

\$207.5M

2001

Added high-volume Rx and OTC capacity by acquiring Whitby facility

Added PDS capacity and expertise by expanding the formulation development facility at Toronto Region site and launching a PDS unit at Swindon site

REVENUES

(in millions of U.S. dollars)

Guided by a clear vision to become the preferred supplier of drug manufacturing and development services to the global pharmaceutical industry, Patheon has emerged, grown and expanded, through a succession of strategic and internal initiatives, from an organization with revenues of \$23.8 million in fiscal 1995 to \$470.3 million in fiscal 2004.

A CLEAR VISION



STRONG

A LONG-TERM STRATEGY

IN OUR QUEST TO BE A GLOBAL LEADER IN OUTSOURCED PHARMACEUTICAL MANUFACTURING, WE IDENTIFIED THE ATTRIBUTES TO BE SUCCESSFUL IN OUR MARKET – A BROAD RANGE OF DOSAGE FORMS, INCLUDING SPECIALIZED CAPABILITIES, A STRONG TEAM OF SCIENTISTS AND OTHER PROFESSIONALS, AND A FIRST-CLASS NETWORK OF FDA-APPROVED FACILITIES STRATEGICALLY LOCATED IN THE WORLD'S TWO LARGEST PHARMACEUTICAL MARKETS.

Today, Patheon is well on its way. We offer one of the widest ranges of manufacturing capabilities in our industry. We have a total of 14 facilities in the U.S. and Europe including 10 that meet FDA manufacturing requirements. We have a highly skilled and dedicated staff of 5,650, and we are strongly positioned in the U.S. and Europe, the world's two largest pharmaceutical markets. In fiscal 2004, more than 750 products were manufactured in our facilities for 180 clients, and we provided drug development services for some 112 new products. This is the beginning of a new era for Patheon.

NEW HORIZONS

THE ACQUISITION OF MOVA PHARMACEUTICAL CORPORATION REINFORCES PATHEON'S STRATEGIC POSITIONING AS A PREFERRED MANUFACTURING PARTNER TO THE GLOBAL PHARMACEUTICAL INDUSTRY.

MOVA brings additional strategic resources that include three FDA-approved facilities manufacturing only Rx products, 1,650 highly skilled employees, and a modern infrastructure located in one of the largest pharmaceutical manufacturing centres in the U.S.



CAGUAS

CAROLINA

MANATÍ

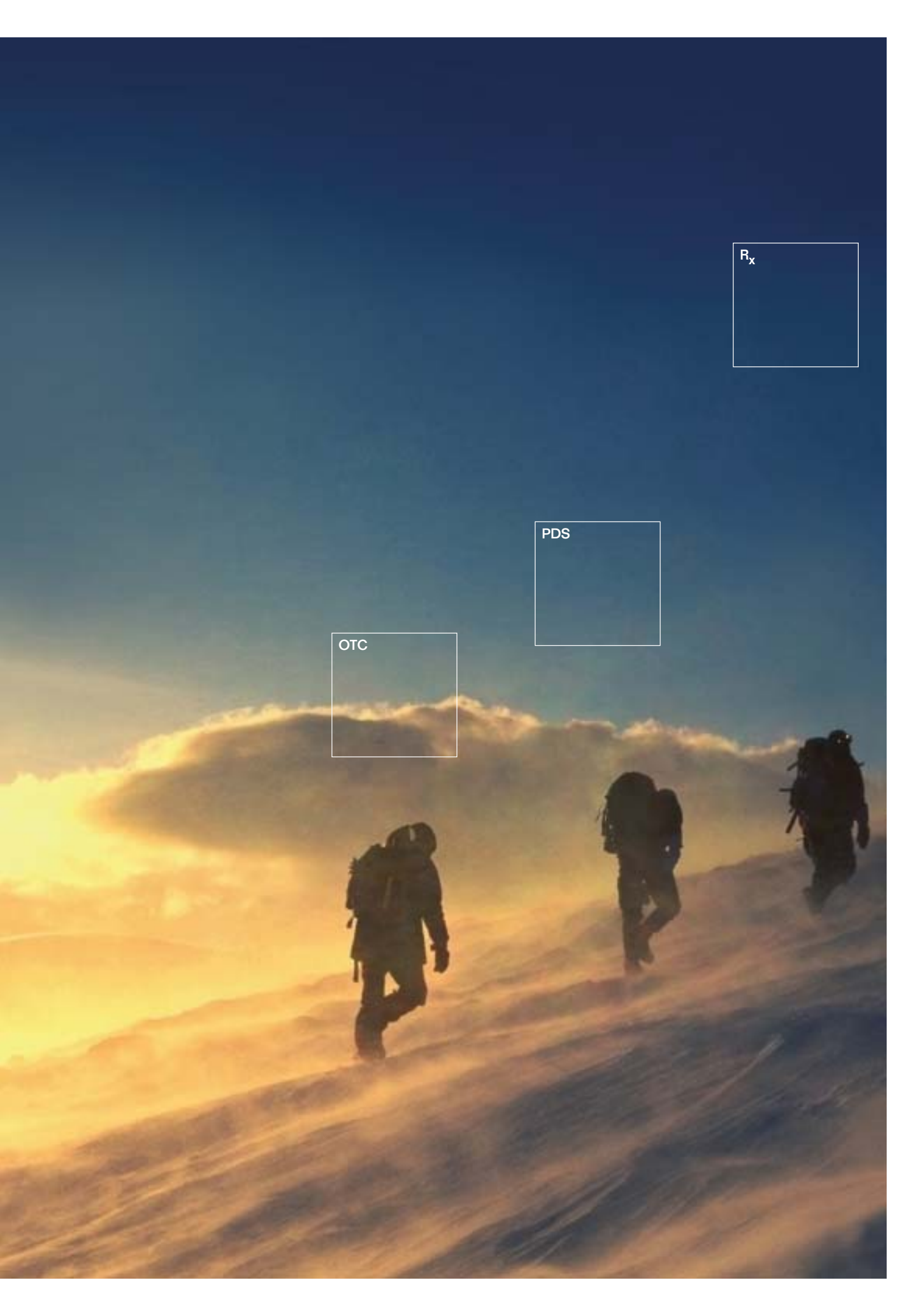
Complementing Patheon's large and diversified client base, MOVA focuses principally on the high-volume manufacturing of Rx products for a select group of about 20 global pharmaceutical companies.

The MOVA infrastructure, which is state-of-the-art and has available manufacturing capacity, gives Patheon the ability to increase volumes with limited additional capital expenditures.

A NEW PERIOD OF GROWTH

FROM DEVELOPMENT TO COMMERCIAL MANUFACTURING, PATHEON'S FULL-SERVICE APPROACH IS GAINING MOMENTUM. IN FISCAL 2004, A TOTAL OF FOUR NEW PRODUCTS FOR WHICH PATHEON PROVIDED DEVELOPMENT SERVICES RECEIVED REGULATORY APPROVAL. PATHEON WAS SELECTED TO MANUFACTURE ALL FOUR NEW R_x PRODUCTS, WHICH WILL CONTRIBUTE TO FUTURE GROWTH IN COMMERCIAL MANUFACTURING REVENUES.

This signals a new era for Patheon. With compound annual growth in revenues of 46% from our drug development services and 26% from our commercial manufacturing services over the last five years, we believe that this is only the beginning. In fiscal 2004, we invested some \$63 million in capital improvement projects, particularly in our sterile lyophilization capabilities in Italy, positioning Patheon for global leadership in providing high-quality manufacturing technologies.



R_x

PDS

OTC

VISION



LEADING THE WAY

THROUGH A COMBINATION OF STRATEGIC GROWTH AND INVESTMENTS IN SPECIALIZED MANUFACTURING CAPABILITIES, PATHEON HAS CREATED AN ORGANIZATION WITH THE RESOURCES, INTERNATIONAL PRESENCE AND CAPACITY TO BE A PREFERRED SUPPLIER OF DEVELOPMENT AND MANUFACTURING SERVICES TO THE GLOBAL PHARMACEUTICAL INDUSTRY.

A little more than a decade ago, Patheon recognized the emerging market for pharmaceutical manufacturing. Since then, we have proven that the market is growing for those players who can deliver the scale and expertise required by global pharmaceutical companies. Today, as a recognized leader and brand in our market, we have the opportunity to be a frontrunner in the ongoing evolution of outsourced pharmaceutical manufacturing.