

Sal. Oppenheim Healthcare Conference

Frankfurt 3 September 2008



Disclaimer

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN THE UNITED STATES OF AMERICA, CANADA, JAPAN OR AUSTRALIA.

This document has been prepared by Cosmo Pharmaceuticals S.p.A. ("Cosmo"), to the best of its knowledge and belief, solely for your information and is strictly confidential. This document is not to be (i) used for any purpose other than in connection with the purpose of this presentation, (ii) reproduced or published or (iii) circulated to any person other than to whom it has been provided at this presentation.

The information contained in this document has been provided by Cosmo, unless otherwise noted. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of Cosmo, its advisors or any of their respective representatives or affiliates undertakes to update the information contained herein subsequent to the date hereof. Furthermore, none of Cosmo, the Joint Global Coordinators named herein, or any of their respective representatives or affiliates shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.

The statements contained in this document that are not historical facts, such as statements regarding (i) Cosmo's ability to develop and expand its business, successfully complete development of its current product candidates and current and future collaborations for the development and commercialisation of its product candidates and reduce costs (including staff costs), (ii) the market for drugs to treat IBD diseases, and (iii) Cosmo's anticipated future revenues, capital expenditures and financial resources and other similar statements, may be "forward-looking" and as such involve risks and uncertainties. No assurance can be given that the results anticipated in such forward looking statements will occur. Actual events or results may differ materially from Cosmo's expectations due to factors which include, but are not limited to, increased competition, Cosmo's ability to finance expansion plans, the results of Cosmo's research and development activities, the success of Cosmo's products, regulatory, legislative and judicial developments or changes in market and/or overall economic conditions. Cosmo assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

This document does not constitute an offer or invitation to purchase or subscribe for any securities of Cosmo and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

This document is not being issued in the United States of America and should not be distributed or otherwise transmitted in the United States or to U.S. persons (as defined in the U.S. Securities Act of 1933, as amended (the "Securities Act")) or publications with a general circulation in the United States. The securities of Cosmo have not been and will not be registered under the Securities Act and are not being offered or sold in the United States or to U. S. persons. Securities may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from the registration requirements of the Securities Act.

This document has not been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 and the information contained herein does not constitute an offer of securities to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995. No prospectus offering securities to the public will be published in the United Kingdom. This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any person who is not a relevant person should not act or rely on this document or any of its contents.

This document constitutes neither an offer to sell nor an invitation or solicitation to buy securities in Italy and does not constitute a public offering under the meaning of sections 1, item (t) and 94(1) of the Legislative Decree n. 58 of 24 February 1998. The securities referred to herein cannot be offered, distributed, marketed, promoted or solicited in Italy to investors other than "Professional Investors" as defined by Articles 25 and 31(2) of Consob's Regulation No. 11522 of 1 July 1998, as amended, (including, *inter alia*, investment firms, ("SIMs"), banks authorized to provide investment services, stockbrokers, SICAVs, pension funds, insurance companies, entities enrolled in the register referred to in Articles 106, 107 and 113 of the Legislative Decree 385 of 1 September 1993, financial salesmen, individuals possessing the professionalism requirements referred to in Article 31(2) of the Regulation No. 11522, legal persons stating to have specific expertise and experience in financial transactions) without Consob's prior authorization. Cosmo intends neither to carry out a public offering of the securities in Italy nor to apply for the relevant Consob's authorization. This press release is not directed to Italian residents other than Professional Investors as defined above.

Any offer of securities to the public that may be deemed to be made pursuant to this communication in any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive") is only addressed to qualified investors in that Member State within the meaning of the Prospectus Directive.

This document is not a prospectus pursuant to art. 652a of the Swiss Code of Obligations or art. 32 et seq. of the SWX Swiss Exchange Listing Rules. Investment decisions of investors and shareholders should be based on the Offering Memorandum issued by Cosmo in connection with the Offering. Investors are furthermore advised to consult an independent financial advisor before making such investment decisions.

By accepting this document, you acknowledge and agree to each of the foregoing notices.

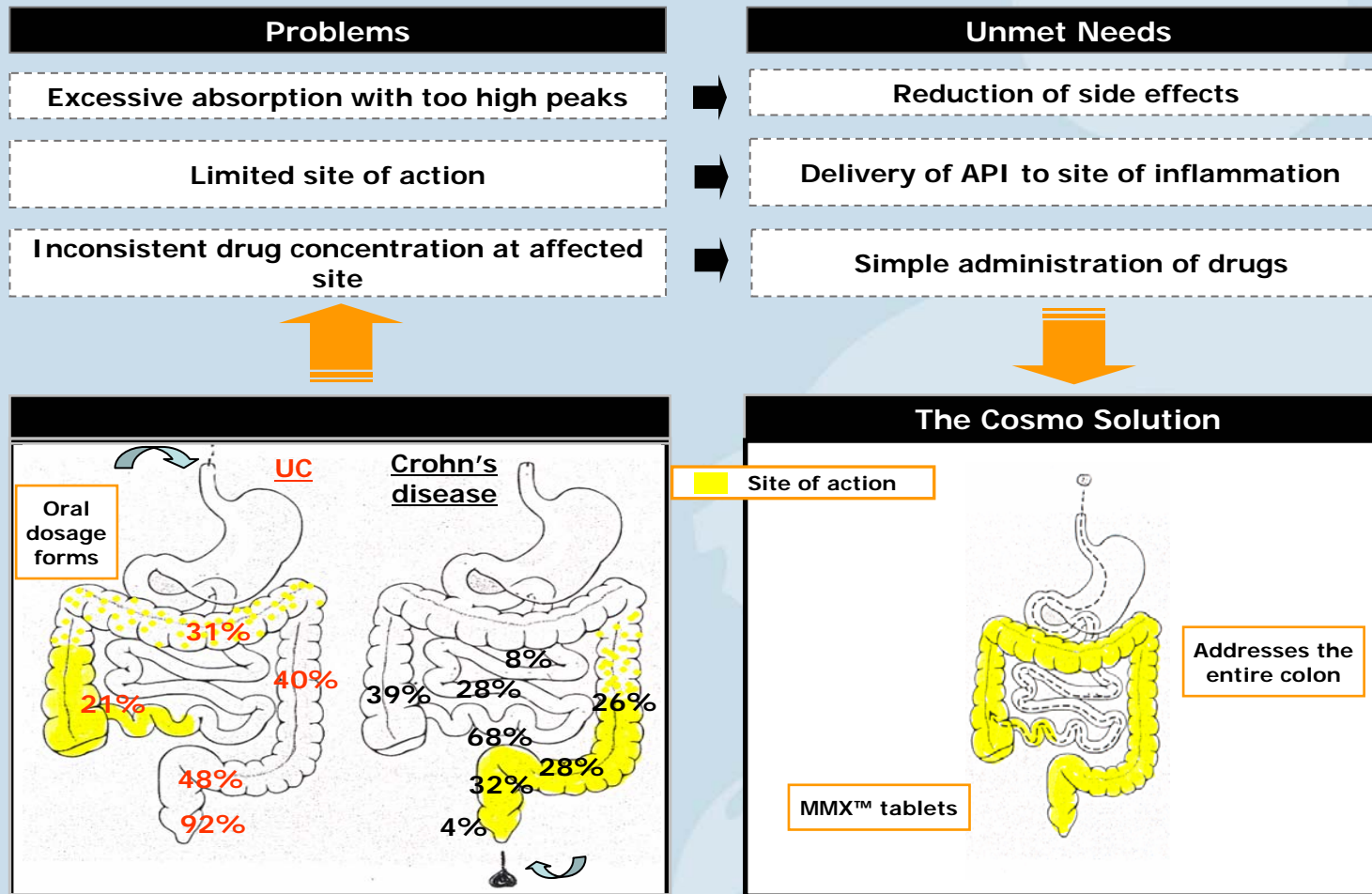
Cosmo Profile

- **ENTREPRENEUR LED**
 - 1997 purchase of Warner Lambert/Parke Davis plant
 - Opportune development of MMX technology in 1998
- **FOCUS ON GI**
 - Addresses key unmet medical needs of many patient segments in IBD and GI
- **POSITIONED TO CAPTURE ALL PARTS OF THE VALUE CHAIN**
 - Comprehensive product portfolio
 - Manufacturing skills and capacity
 - Commercialisation strategy
- **LARGE, DEEP PIPELINE – LOW RISK APPROACH**
 - 2 marketed products; 5 in the clinic
 - Product development mainly based on existing chemical entities that are improved
- **PROVEN, PROPRIETARY, PATENTED MMX™ TECHNOLOGY**
 - Proof of concept achieved
 - Base for further product development and replenishment of pipeline

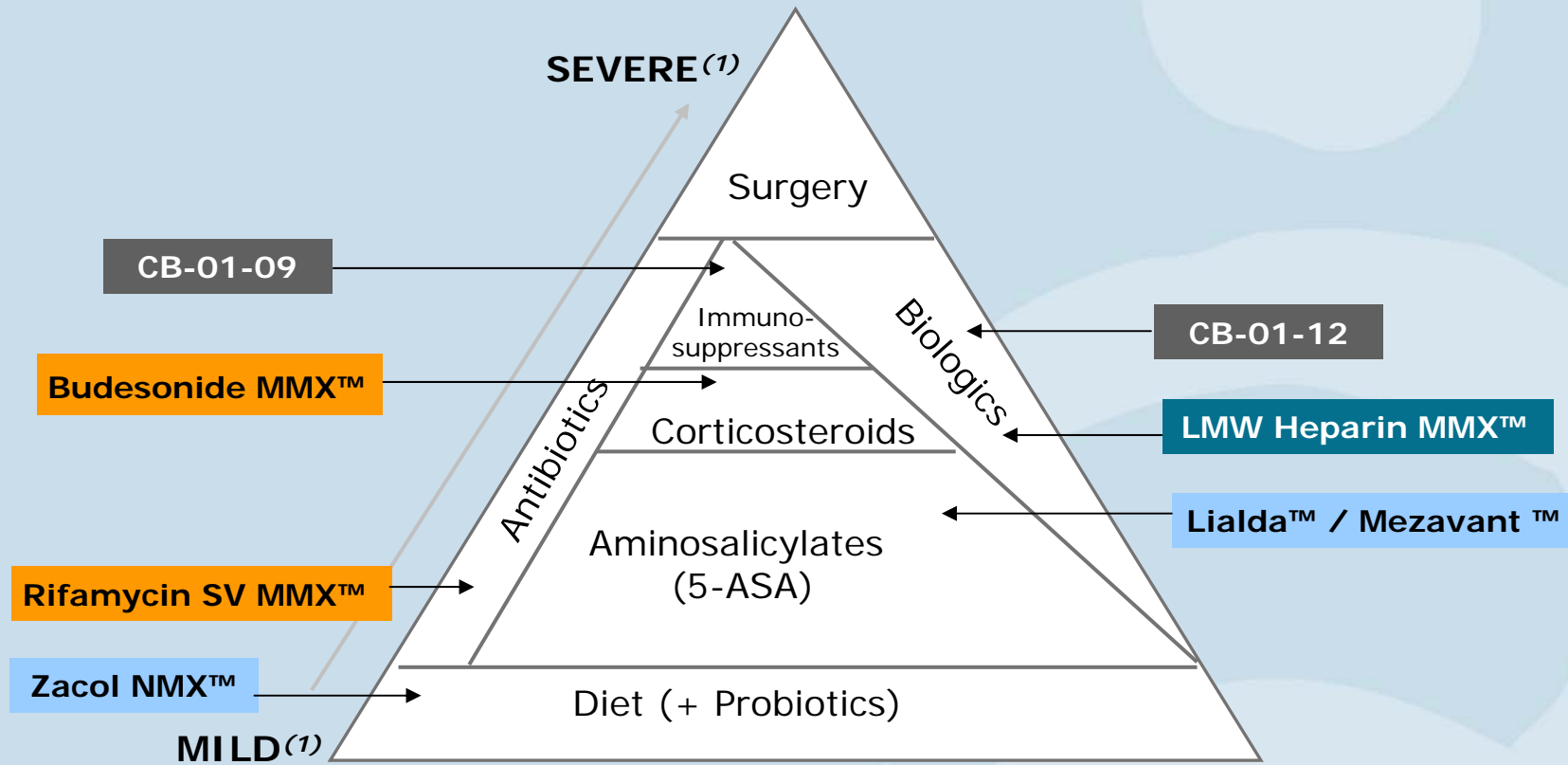
Cosmo Highlights

- Start of activities of new FDA approved manufacturing plant in June 2006
- FDA approval of Lialda™ in March 2007
- Licensing agreement for Budesonide MMX™ for non USA and Japan with Ferring in 2007
- Successful phase II trials for Budesonide MMX™, Rifamycin SV MMX™ and LMW Heparin MMX™
- Lialda™ reaches a market share of 11.3% of all 5-ASA tablets in the US 15 months after market introduction

Cosmo's Focus: addressing unmet medical needs in Colon diseases

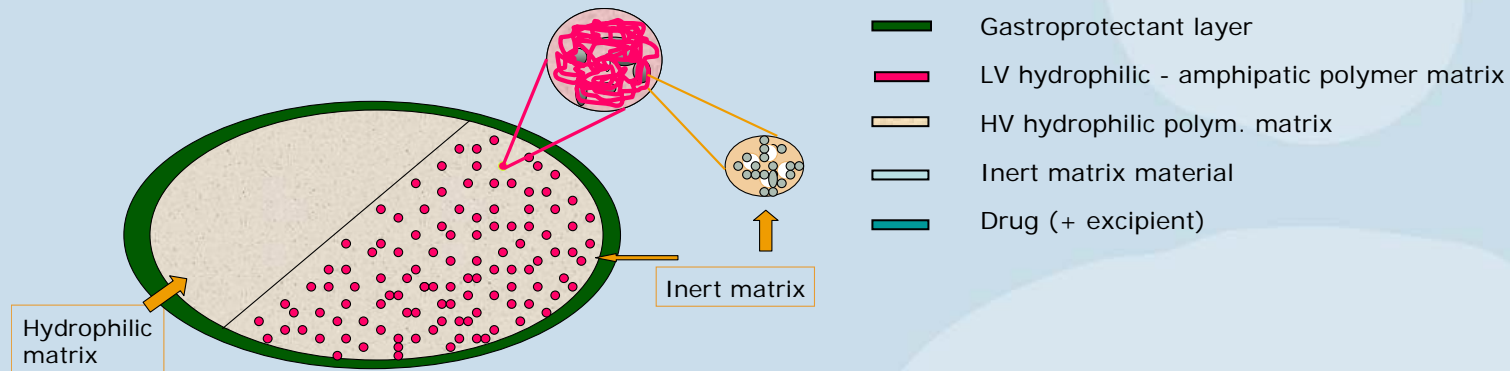


Extensive Portfolio covering IBD



1. Status of disease severity

The Multi Matrix System (MMX™): Key Benefits



Compliance

Once daily administration improves convenience

Efficacy

Active substance brought to all parts of the colon

Safety

Topical application. Toxicity/ **side effects reduced**

Product Pipeline: Strong Potential to Improve Existing Treatments in Terms of Compliance, Efficacy and Safety

Partner	Drug type	Indication	Ph I	Ph II	Ph III	MA	Launch	
Shire Limited	5-ASA	Mild to moderate Ulcerative Colitis	Lialda™ / Mezavant™					03/07 USA 10/07 UK
	Dietary supplement	Intestinal disorders (nutraceutical)	Zacol NMX™					12/05 ITA
Ferring	Corticosteroid	Mild to moderate Ulcerative Colitis	Budesonide MMX™			4Q 09		2011e
Expected EU Licensing	Antibiotic	Infectious diarrhoea	Rifamycin SV MMX™			4Q 09		2010e
	Biologic	(Mild to moderate) Ulcerative Colitis	LMW Heparin MMX™			2Q 11		2012e
	Antibiotic	CDAD	Rifamycin SV MMX™		1Q 10			
	Steroid ester, androgen antagonist	Acne, male pattern baldness, and hirsutism	CB-03-01 (NCE)		3Q 09			

Lialda™ / Mezavant™

- **Indication**
 - Mild to moderate Ulcerative Colitis
- **Market size**
 - Approximately 5 m patients worldwide; approx 70% have the disease as mild to moderate in severity
 - Total \$2-2.4 bn 2008 for 5-ASAs; USA \$ 1.1 bn for 5-ASAs
- **Market need**
 - Once a day
 - No side effects

Lialda™ / Mezavant™: Status and Opportunities

- **Status:**
 - On its way to \$ 400 m peak sales
 - Royalty of 3.5% capped at cumulative \$ 95 m
 - Manufacturing income of approx 3% of revenue
- **Opportunities**
 - Additional indication of Diverticulitis being sought by Shire

Budesonide MMX™

- **Indication**

- Patients with Ulcerative Colitis of mild to moderate severity, mainly that are refractory to 5-ASA's

- **Market Size**

- Targeted first at the 21% of all patients that have mild to moderate disease but do not respond to 5-ASA treatments and also at the entire 5-ASA market because corticosteroids are more effective

- **Market need**

- A corticosteroid tablet with the efficacy of a corticosteroid and the few side effects of salicylates

Budesonide MMX™: Status and Opportunities

- **Status**

- Phase III clinical trials underway in USA and EU;
 - Efficacy and safety of new oral Budesonide MMX™ 9mg and 6mg, multicenter, randomized, double-blind, double-dummy comparative study versus placebo, with an additional reference arm evaluating Asacol® 2400 mg (in USA) or Entocort® EC capsules (in EU).
 - Two times 480 patients; due to end Q4 2009.

- **Opportunities**

- First steroid drug approved worldwide for patients with mild to moderate Ulcerative Colitis

Rifamycin SV MMX™

- **Indication**
 - Travellers and Infectious Diarrhoea
- **Market size**
 - Worldwide Travellers Diarrhoea market estimated at \$ 2 bn
- **Market need**
 - Most available drugs only address symptoms not the cause
 - Need for a non absorbable antibiotic that does not sterilize bacteria in stomach and upper gut

Rifamycin SV MMX™: Status and Opportunities

- **Status**

- Phase II trials completed
- Phase III trials in EU and US currently under design

- **Opportunities**

- Highly effective against Clostridium Difficile (CDAD)
- Given its anti inflammatory properties, Rifamycin SV MMX™ could also be the drug of choice for the treatment of Diverticulitis, a chronic disease that affects more than 60% of people over the age of 60

LMW Heparin MMX™

- **Indication**

- Phase II demonstrated efficacy in patients with acute mild to moderate Ulcerative Colitis. Assessments under way to determine drug applicability to patients with acute moderate or moderate to severe Ulcerative Colitis and colonic Crohns Disease

- **Market size**

- At a minimum, the 70% of all patients with mild to moderate disease
- Likely scenario is to go for the 500,000 patients worldwide with moderate to severe disease

- **Market need**

- An effective product for patients with moderate to severe IBD
 - with no side effects
 - Convenience of a once a day tablet

LMW Heparin MMX™: Status and Opportunities

- **Status**

- Completed phase II clinical trials demonstrated that LMW Heparin MMX™ is substantially more effective than 5-ASA's and has disease modifying properties
- Phase III clinical trials in EU and USA currently being prepared

- **Opportunities**

- Positioning the product in direct competition with immuno-suppressants and potentially anti-TNF's

CB-03-01

- **Indication**
Topical treatment of
 - Acne
 - Hirsutism
 - Androgen-induced alopecia
- **Market size**
 - 16% of US population suffer from acne
 - 10% of all women have hirsutism
 - 12% of all men have alopecia
- **Market need**
 - A treatment that is effective by topical application and does not cause hormonal imbalance

CB-03-01: Status and Opportunities

- **Status**
 - First phase I study successfully completed
 - Permeates skin and is quantifiable in plasma
 - Well tolerated
 - No measurable side effects
 - Phase II proof of concept to start at end 2008
- **Opportunities**
 - First topically effective anti-androgen treatment in the market

Pre clinical Pipeline

Product	Drug type	Indication	Projected start phase I
CB-01-12	Anti-TNF α	IBD	Six months after kick off by partner
CB-01-06	Immuno-suppressant	IBD	tbd
CB-01-13	COX-2 inhibitor	Colo rectal cancer prevention	Bound to the API clearance
CB-01-14	Antibiotic	Crohn's Disease	1H 09
CB-01-16	Opioid antagonist	Opioid Induced Constipation (OIC)	1H 09

Focus our search for molecules that are active in the colon and whose efficacy or safety profile can be improved by applying MMX™ technology

Strategic Goals

- Conduct various assessments to correctly position LMW Heparin
- Determine US distribution strategy; assess licensing out opportunities, build costs and risks and buy opportunities and make best risk-reward decision by mid 2009
- License out all products for non US markets
- Deliver proof of concept for peptide and protein MMX
- Identify new opportunities for MMX applications

Key Financial Highlights for 1H 2008

In EUR m	1HY 2008	1HY 2007	%
Revenues	11.9	9.9	20
COGS	6.7	6.5	3
R&D expenditures	3.2	2.2	46
EBITDA	(0.7)	(2.5)	72
Net profit after tax	(0.8)	(1.7)	53
	30/6/2008	31/12/2007	
Cash and cash equivalents	23.9	25.5	(6)
Total assets	47.9	47.2	1

Anticipated upcoming milestones

- EU licensing agreement for Rifamycin SV MMX™
- CB-03-01 phase II clinical trials start
- Start phase III clinical trials for Rifamycin SV MMX™ in EU and North America
- Decision on US market penetration strategy

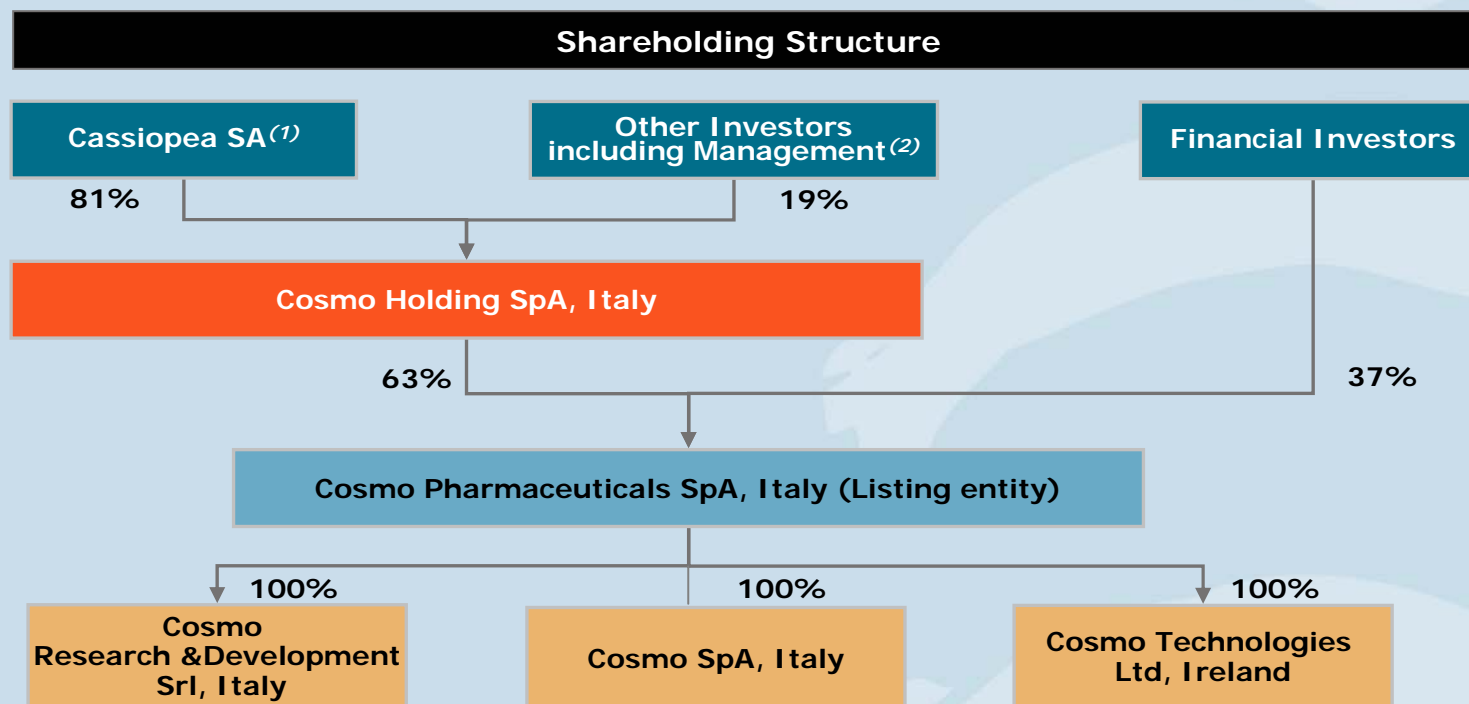
Experienced Board of Directors

Name	Committee	Tenure and Experience
Rolf Stahel (Non-executive Chairman)	<ul style="list-style-type: none"> – Nomination & Compensation – Audit 	<i>Since 2006.</i> Executive Chairman of Chesyl Pharma Ltd and Non-executive Chairman of Newron Pharmaceuticals S.p.A. Former CEO of Shire Pharmaceuticals plc
Mauro Ajani (CEO)		<i>Since 1996.</i> Founder, and through his holdings in Cassiopea SA, main shareholder of Cosmo Holding and Cosmo Bioscience S.p.A., as well as indirectly of Cosmo Pharmaceuticals S.p.A.
Gianluigi Bertolli (Non-executive)	<ul style="list-style-type: none"> – Audit 	<i>Since 2006.</i> Board member of Cosmo Holding since 2005. Owner-manager of Studio Bertolli, a firm specializing in financial and tax advisory
Alessandro Della Chà (Non-executive)		<i>Since 2006.</i> Senior partner of law firm Studio Legale Edoardo Ricci & Associati in Milan where he specializes in company law and mergers and acquisitions
Dieter Enkelmann (Non-executive)	<ul style="list-style-type: none"> – Audit – Nomination & Compensation 	<i>Since 2006.</i> CFO and member of the executive management board of Julius Bär Holding. Formerly CFO of Barry-Callebaut, Head of Financial Services and of Corporate Finance and Investor Relations, Treasury at SwissRe and investment banker at CSFB. Board member of iNNutriGEL
Chris Tanner (CFO)		<i>Since 2006.</i> Board Member of Cosmo Holding since 2005. CFO of Cosmo Pharmaceuticals S.p.A. since 2006. Board member of Joimax and Private Equity Holding. Co-founder of the 20 Minutes Group of newspapers and founder of A&A Active Investor. Former Head of Corporate Finance of UBS in Zurich
Friedrich von Bohlen und Halbach (Non-executive)	<ul style="list-style-type: none"> – Nomination & Compensation 	<i>Since 2005.</i> Managing partner at Dievini GmbH, the company managing the life science investments of Dietmar and Oliver Hopp. Board member of Apogenix, Curacyte, CureVac, Cytonet, Heidelberg Pharma, Lion Bioscience, Life Biosystems and Willex

Scientific Advisors

Name	Institution
Prof. Jean-Frédéric Colombel	Department of Hepato-gastroenterology, Hôpital Huriez, Lille (France)
Prof. Geert D'Haens	Professor of Gastroenterology, Imelda GI Research Center, Bonheiden (B)
Prof. Brian Gordon Feagan	Department of Epidemiology & Biostatistics, University of Western Ontario, London, Ontario (Canada)
Prof. Claudio Fiocchi	Department of Gastroenterology & Hepatology, the Cleveland Clinic Foundation, Cleveland, Ohio (USA)
Prof. Michael Kamm	Chairman of Medicine and Director Inflammatory Bowel Disease, University and St Vincent's Hospital, Melbourne (Australia)
Prof. Robert Löfberg	Professor of Gastroenterology, Karolinska Institutet, Stockholm (Sweden)
Prof. William Sandborn	Division of Gastroenterology and Hepatology, Mayo Clinic, Rochester, Minnesota (USA)
Prof. Maurizio Vecchi	Director Gastroenterology and Gastrointestinal Endoscopy Unit, Policlinico San Donato Milanese (Italy)

Current Shareholding Structure



Source: Company information
1. Controlled by the Ajani family
2. Management holds 10%

Contacts

Mauro Ajani; CEO

mauro.ajani@cosmopharmaceuticals.com

tf: 0039-02-9333'7506

Dr. Chris Tanner; CFO and Head of Investor Relations;

chris.tanner@cosmopharmaceuticals.com

tf: 0039-02-9333'7617

Dr. Luigi Moro; CSO

luigi.moro@cosmopharmaceuticals.com

tf: 0039-02-9333'7276

www.cosmopharmaceuticals.com