



Established 1947

NASDAQ:ACET

*Global Leader in the Sourcing, Quality Assurance, Regulatory Support,
Marketing and Distribution of Pharmaceuticals, Nutraceuticals, Specialty
Chemicals and Crop Protection Products*

“Enabling Quality Worldwide”™

Corporate Presentation
Fiscal 2010 2nd Quarter
February 5, 2010



This presentation contains “forward-looking statements,” as defined by the Private Securities Litigation Reform Act of 1995, that can be identified by words such as “believes”, “expects”, “anticipates”, “plans”, “projects”, “seeks” and similar expressions including business initiatives and involve numerous risks and uncertainties. The Company’s actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including those set forth in the Company’s filings with the Securities and Exchange Commission.



Company Profile

- ❑ Established in 1947, publicly traded on NASDAQ under the symbol “ACET” since 1962
- ❑ Global leader in the sourcing, quality assurance, regulatory support, marketing and distribution of pharmaceuticals, nutraceuticals, specialty chemicals and crop protection products
- ❑ Physical presence in ten countries
- ❑ More than 200 worldwide employees
 - 28 full-time technical employees, 26 specializing in pharmaceutical business development activities
- ❑ Distribute over 1,000 chemicals used principally as raw materials in the pharmaceutical, agrochemical, color, surface coating/ink and general chemical consuming industries
- ❑ Business organized along product lines into three segments; Health Sciences, Specialty Chemicals and Crop Protection



Business Model

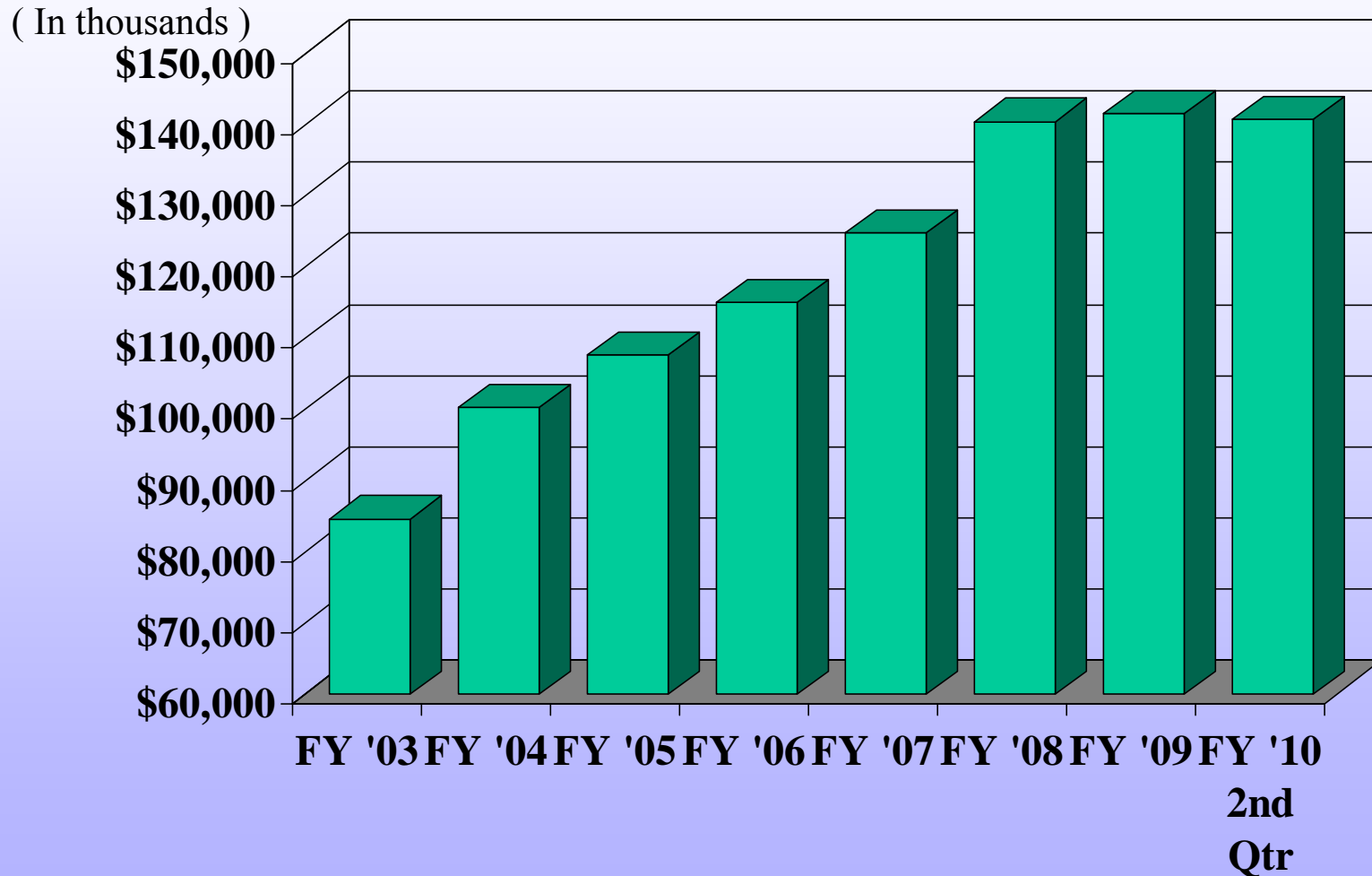
- ❑ Function as a virtual manufacturing firm
- ❑ Our core competencies:
 - Sourcing
 - Regulatory support
 - Quality assurance
 - Distribution
- ❑ Highly skilled sales and distribution organization
- ❑ Competitive pricing – strive to be the lowest cost, quality supplier, in the market



Financial Strengths

- Safe and strong financial position at December 31, 2010:
 - Cash, cash equivalents and short-term investments of \$47.6 million
 - Working capital of \$122.7 million
 - No long-term bank debt
 - Shareholders' equity of \$140.8 million

Shareholders' Equity





Financial Highlights

- For the fiscal quarter ended December 31, 2010:
 - Net sales of \$70.9 million
 - Gross profit of \$10.8 million
 - Net loss of \$2.5 million or (\$0.10) per diluted share
 - Quarter effected by three one-time charges:
 - \$2.6 million in costs associated with separation of former Chairman
 - \$1.2 million related to SG&A rationalization review
 - \$0.9 million, non-cash, related to inventory write-down
 - Without these one-time charges would have reported net income of \$0.7 million, or \$0.03 per diluted share



Quality Assurance & Regulatory Support

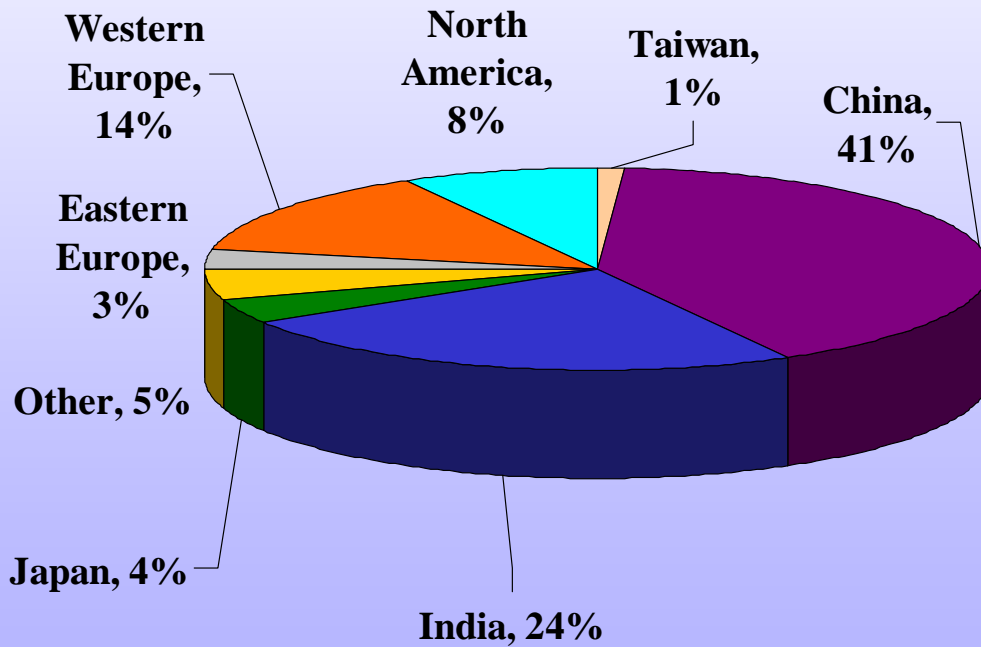
- ❑ A KEY differentiator between Aceto and other companies
- ❑ Global Technical Network with regional managers in the United States, Germany, China and India that provides both Quality Assurance and Regulatory Support
- ❑ Global Quality Assurance ensures that the quality of the product meets both the customers specifications and intended use
- ❑ Global Regulatory capabilities provides substantial regulatory support and technical assistance to manufacturers worldwide, enabling them to bring products to market that they would not otherwise be able to by themselves



Worldwide Business

Sources

(Fiscal 2009)



Operations

Business operations:

- US
- Germany
- France
- Singapore
- Netherlands
- Japan
- UK
- Vietnam

Sourcing:

- China
- India



Health Sciences Business Segment

- ❑ 58% of Aceto’s fiscal 2009 sales
- ❑ Product Groups:
 - Active Pharmaceutical Ingredients (API’s)- bulk ingredients to make drugs
 - Pharmaceutical intermediates- chemicals used to make API’s
 - Nutraceuticals
- ❑ Growth Strategy
 - New generic APIs - Focus on small/mid-size products with a limited number of market participants
 - Second source generic APIs - Marketing products with existing ANDA’s
 - Site transfers of existing Drug Master Files (DMF’s)
 - Taking our successful business model to new geographies; for example, entering the Japanese market



Specialty Chemicals Business Segment

- ❑ Previously called Chemicals & Colorants – name changed to more accurately portray the scope of its business activities
- ❑ 36% of Aceto’s fiscal 2009 sales
- ❑ Products:
 - Intermediates for dyes & pigments, and agrochemicals
 - Chemicals for coatings, inks, plastics, food, aroma & flavor, electronics & other
- ❑ Growth strategy
 - New products for existing customers
 - New customers for existing products
 - Globalization of our product offerings



Crop Protection Business Segment

- ❑ 6% of Aceto’s fiscal 2009 sales
- ❑ Growth Strategy:
 - Partner with distributor
 - Act as sole principal
 - Partner with supplier
- ❑ Entered the Glyphosate market for the 2010 growing season
- ❑ Utilize our global sourcing, quality assurance and regulatory capabilities to bring products to market
- ❑ Achieve the lawful right to sell by acquiring or developing intellectual property, which then leads to an EPA approved label



Growing Our Business

- We look to grow our business in several ways:
 - Expand core businesses
 - Business initiatives for growth
 - Acquisitions



Current Business Initiatives

Vaccines for Companion Animals

- Attempting to enter the vaccines for companion animals market; initial product is a 4-way vaccine for canines in the US market

Finished Dosage Form Generic Drugs

- Aceto's unique business model provides access to the US generic pharmaceutical market for mid-size foreign sourced pharmaceutical products and companies



Acquisition Business Model

- Must be parallel or complementary to our core business
- Must be structured to be accretive within a reasonable period of time after the acquisition
- Must provide enough cash flow to cover any debt servicing
- Must come with a management team willing to continue to manage the business for a period of time
- Culture of the acquired company should be compatible with that of Aceto



Investment Summary

- ❑ Business model that combines sourcing, regulatory support and marketing
- ❑ Strategically positioned for growth in several market segments
- ❑ Employees are highly efficient – Staff of 218 employees generated \$323 million in sales in fiscal 2009
- ❑ Experienced senior management team averages more than 25 years with Aceto
- ❑ Strong financial position provides a solid foundation for future growth