



*Established 1947*

**NASDAQ:ACET**

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

*“Enabling Quality Worldwide”*

**Corporate Presentation**

**Fiscal 2010 1st Quarter**

*November 6, 2009*



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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

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- ❑ 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 chemically derived 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, Chemicals & Colorants and Crop Protection



## Business Model

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- ❑ 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

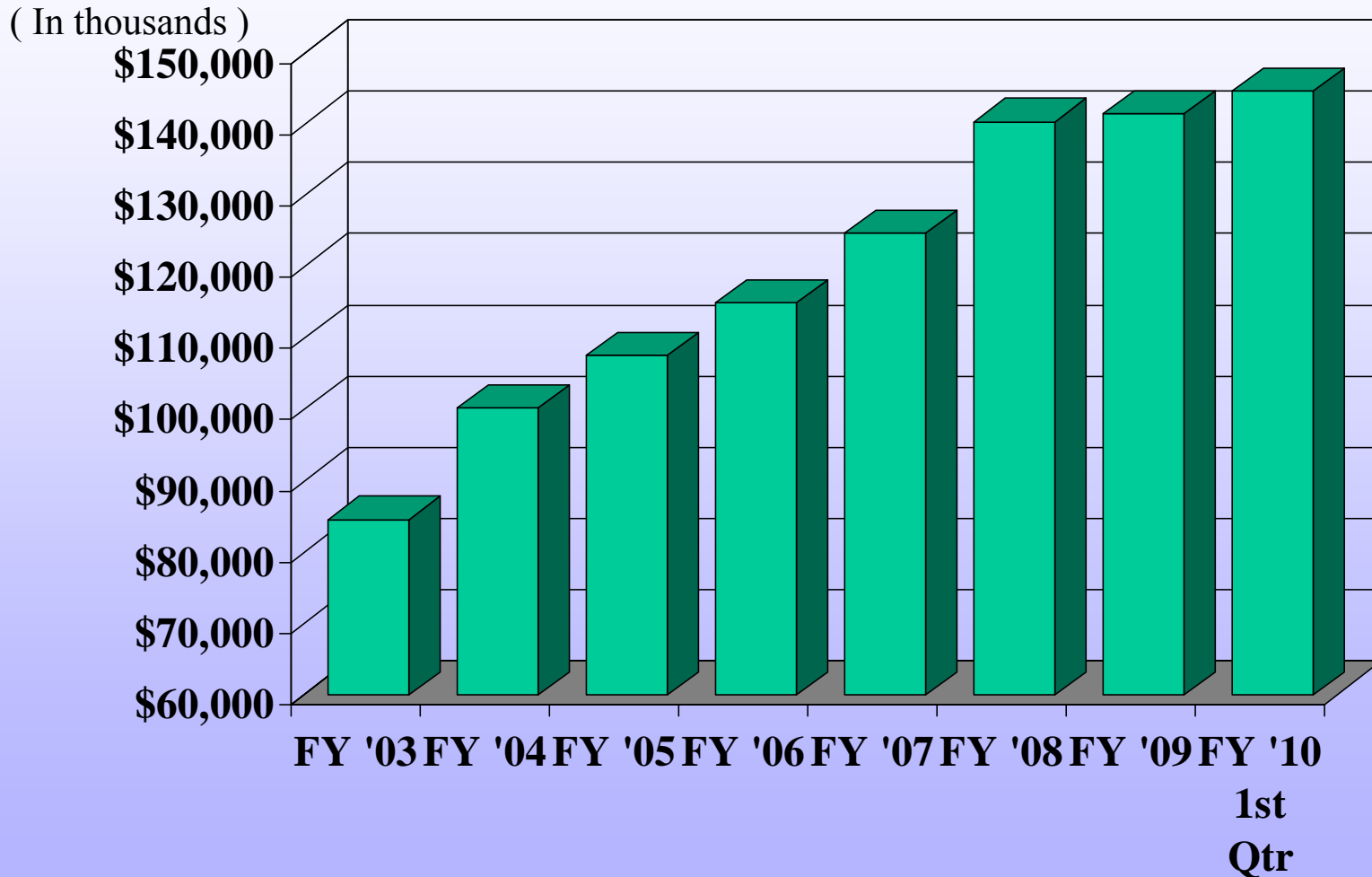


# Financial Strengths

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- Safe and strong financial position at September 30, 2009:
  - Cash, cash equivalents and short-term investments of \$51.3 million
  - Working capital of \$127.0 million
  - No long-term bank debt
  - Shareholders' equity of \$144.7 million

# Shareholders' Equity





# Financial Highlights

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- For the fiscal quarter ended September 30, 2009:
  - Net sales of \$70.6 million
  - Gross profit of \$11.8 million
  - Net income of \$1.0 million or \$0.04 per diluted share



## Quality Assurance & Regulatory Support

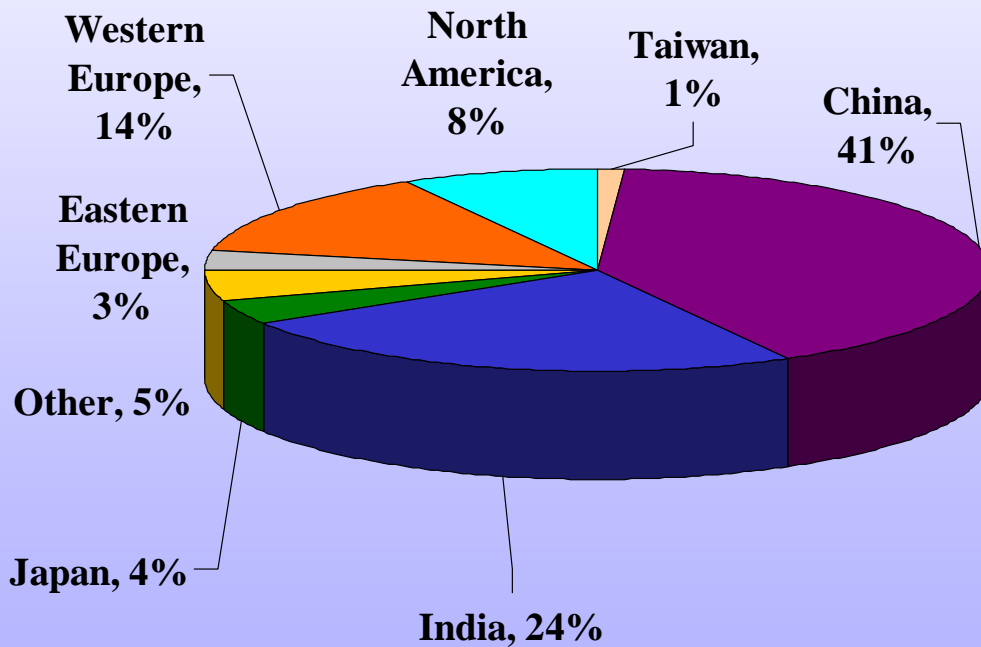
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- ❑ A KEY differentiator between Aceto and other companies
- ❑ Global Technical Network with regional managers in the United States, Germany, China and India that provides both Quality Assurance and Regulatory Support
- ❑ Global Quality Assurance ensures 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

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- ❑ 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)



## Chemicals & Colorants Business Segment

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- 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

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- ❑ 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

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



## Current Business Initiatives

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### Vaccines for Companion Animals

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

### Entering the Japanese Pharmaceutical Market

- Aceto Japan, Inc. was formed to serve as our operating company in Japan, the second largest pharmaceutical market in the world. The focus of our efforts initially will be pharmaceutical intermediates

### Finished Dosage Form Generic Drugs

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



## Acquisition Business Model

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- Must be parallel or complementary to our core business
- Must be structured to be accretive within a reasonable period of time after the acquisition
- Culture of the acquired company should be compatible with that of Aceto



## Investment Summary

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- ❑ Business model that combines sourcing, regulatory support and marketing
- ❑ Strategically positioned for growth in several market segments
- ❑ Employees are highly efficient – Staff of 226 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