



AMRI[®]

RELIABLE WORLDWIDE

Investor Presentation

November 2011



amriglobal.com

Forward-Looking Statements



This presentation may contain projections, estimates and other forward-looking statements that involve a number of risks and uncertainties, including those discussed in the Company's filings with the Securities and Exchange Commission. While this presentation represents management's current judgment on the future direction of the Company's business, such risks and uncertainties could cause actual results to differ materially from any future performance suggested herein. The Company undertakes no obligation to release publicly the results of any revisions to these forward-looking statements to reflect events or circumstances arising after the date hereof.

Global Services Provider



- A leading provider of scientific services, products and technologies through drug discovery, development and manufacturing
- 1,400 employees with operations in U.S., Europe and Asia
- Proprietary portfolio of early stage drug candidates provides free call option



United States



Europe



Asia



AMRI Service Offerings

Target Discovery Lead Finding Lead Optimization Candidate Selection Pre-Clinical Phase I Phase II Phase III Product Approval

Discovery Services

- Target Validation
- Medicinal Chemistry
- HTS
- In Vitro Biology
- Library Synthesis
- Biocatalysis
- Custom Synthesis
- Natural Products
- Structure ID
- Early ADME

Development/Small Scale Mfg.

- Chemical Process Development
- Analytical Development
- Kilo Lab Scale-Up
- Phase I GMP
- Fermentation Development
- Salt & Polymorph Investigations
- Impurity Identification
- Formulation Development

Large Scale Mfg.

- Phase II/III API
- Commercial API
- High Value Intermediates
- High Potency
- DEA Regulated API
- Sterile Fill & Finish
- Niche Generics
- Formulation Manufacturing

AMRI's Global Footprint



Value Proposition



- Strong intellectual input for creative customer solutions
 - Higher ratio of Ph.D. to B.S. scientists compared to competitors
 - Proven ability to bring discovery programs to IND and clinical candidates to commercialization
- Integrated global chemistry and biology services
 - Customized solutions for our customers to improve speed, cost and quality
- Partnering and out-licensing opportunities for proprietary early-stage portfolio
- Seamless technology transfer from preclinical to commercial production

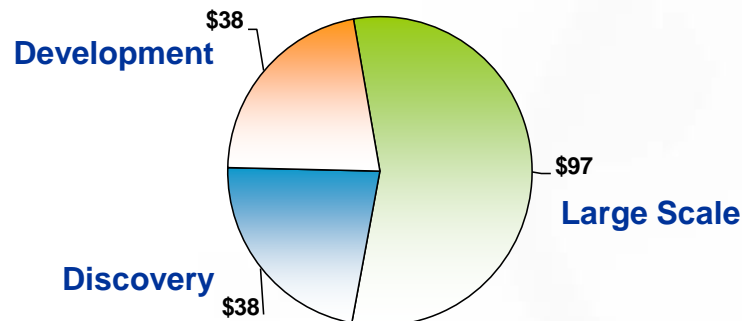




Enhancing Revenue Profile

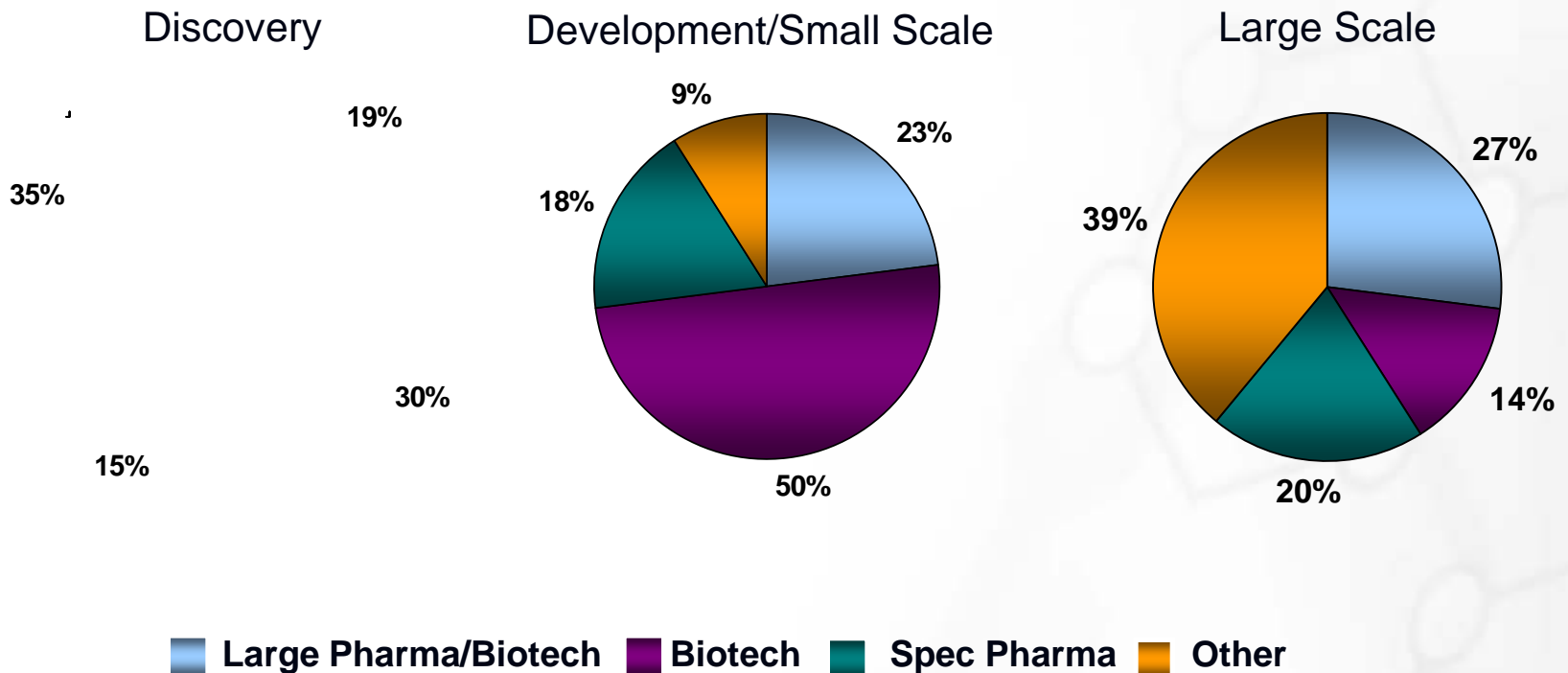
- Collaboration Agreement With Lilly for In-sourced Chemistry Services
- NIH Contract Award to Develop Pre-Clinical Drug Candidates for Diseases of the Nervous System
- Supply Agreement with Revolymer® as well as additional US based manufacturing agreements
- Aseptic Fill/Finish business preliminarily cleared by FDA. No clinical or commercial restrictions.
- Contract extension with Merck & Co., Inc. to provide drug discovery services at Singapore facility
- Negotiations in process to expand current material commercial manufacturing agreements

2011 Contract Revenue Guidance*



* - Mid-point of Guidance

Diversifying Customer Portfolio*



*Represents 2011 estimated customer mix



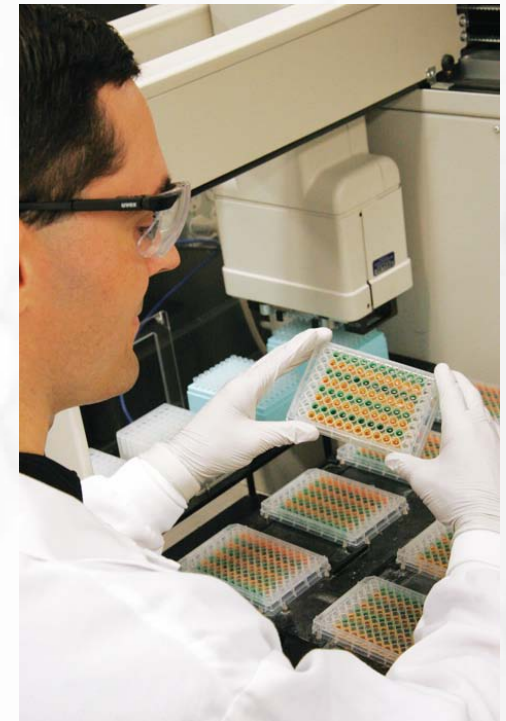
Addressing Cost Structure

- Ending development activities related to internal R&D programs
 - ~\$7M reduction vs. 2011
- Right sized US operations
 - Assessing further workforce/facility changes
- Global cost-reduction initiatives to streamline business
 - Assess global SG&A footprint
 - Sourcing initiatives
 - Lean initiatives
- R&D investments in manufacturing process improvements of generic/commercial products to increase future margins

Positioning business for improvement in margins based on current revenue base.

Industry Drivers

- Large pharma R&D restructuring
 - Reduction in internal R&D resources, generic competition, healthcare reform driving increased strategic outsourcing
- More stringent regulatory environment
 - Requires the use of service providers with strong intellectual capacity and high quality standards
- Globalization of R&D activities
 - Customers are seeking lower cost alternatives with the same quality standards they receive in the US
- Biotech funding environment
 - Availability of capital has stabilized



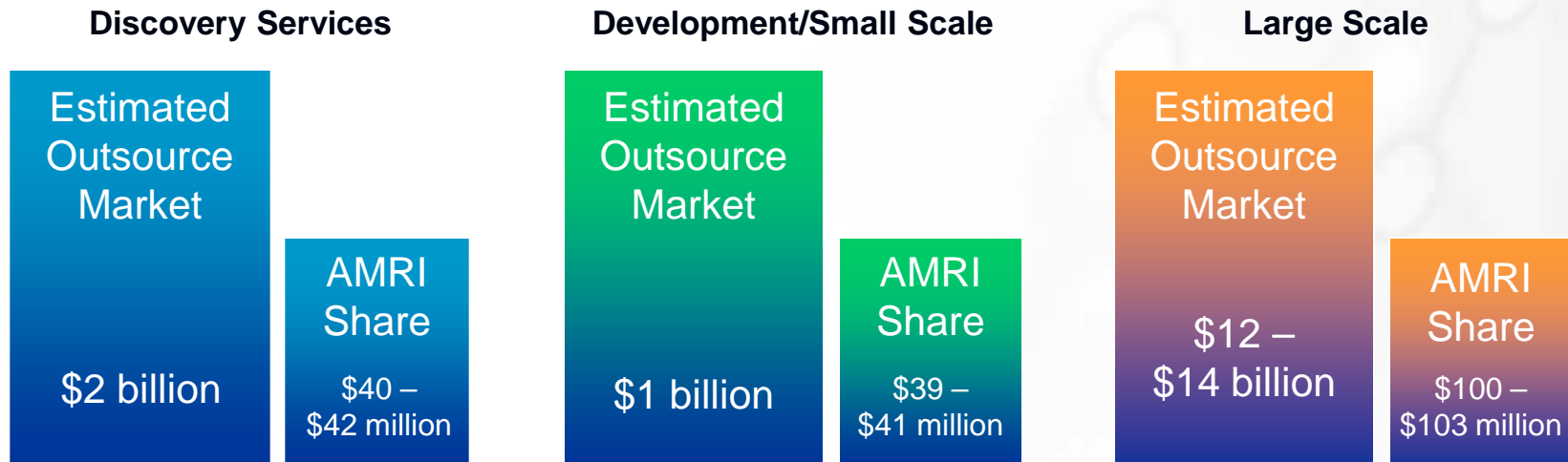
We believe market pressures will exert increasing trend toward outsourcing.

Market Opportunity

Contract Services



- Predict long-term growth due to increased outsourcing by Big Pharma and entrance of more virtual Biotech, non-profit organizations
- Historically fragmented market subject to significant consolidation



Data Sources: William Blair & Co, Jefferies & Co., Merrill Lynch, Kalorama Research

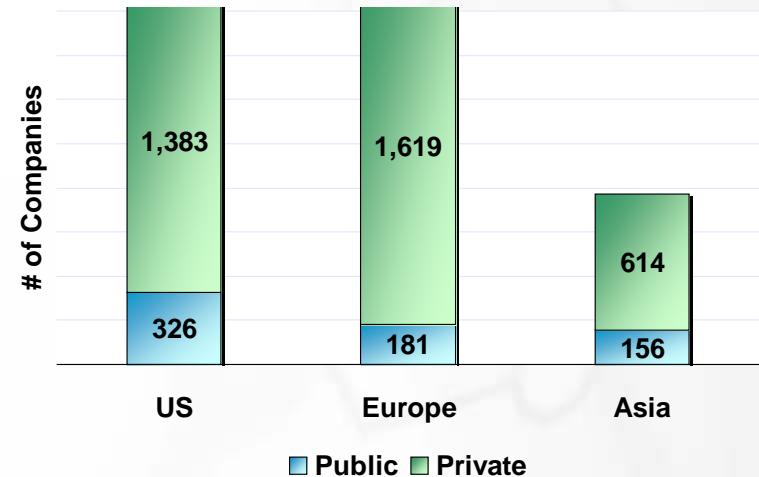
Market Opportunity

Sales & Marketing Strategic Direction



- Marketing Focus driving strategy
- Significant initiatives to expand and train the Sales Organization & Enhance Process
- Transitioning from a scientific to a customer relationship focus
- Strategic Account Plan launched to increase penetration and market share in the large pharma segment
- Geographically expanded team throughout US, Europe and Asia to capture larger customer base

Global Pharma/Biotech Industry



**AMRI presently provides services to 250+ Companies.
Large Opportunity to Expand Customer Base.**

AMRI Contract Services Discovery



- A broad spectrum of lead discovery services backed by decades of experience
 - AMRI U.S. discovery chemists average 10 years plus of industrial experience, 40% PhD density
 - AMRI has delivered over 75 pre-clinical and clinical leads to customers resulting in over 50 customer IND's over the past 10 years
 - AMRI's expertise demonstrated by over 90 patents filed and 300 peer review publications
- Tightly integrated services can be accessed individually or as a full discovery program



**Extensive depth across multiple therapeutic areas and target classes.
Helping customers discover/advance clinical leads.**

AMRI Contract Services Development/Small Scale



- A suite of drug development services to bring a clinical candidate from laboratory scale to commercialization
- Exceptional track record and strong compliance history
- Clients benefit from individual components of a dev/mfg program, while harnessing synergies in discovery
- Highly integrated with Large Scale business to effect technology transfer and accelerate customer timelines for both API and drug product



**66 customer compounds in Phase I-II pipeline
feeding large scale business.**

AMRI Contract Services

Large Scale Manufacturing



- Assets in US, Europe and India allow AMRI to assist customers in product life cycle management
- Excellent FDA compliance history
 - Five consecutive FDA inspections at API facilities with no 483s including UK operation
- Formulation manufacturing added in solid dosage and sterile fill/finish to decrease clinical trial timelines and costs
- Specialized capabilities in high potency and controlled substances
- Portfolio of niche generic APIs provides a base level of cost absorption
- Multiple successes in supporting customers progressing to NDA and Commercialization



23 customer compounds in Phase III pipeline.

Strategic Partnerships

AMRI & BMS Licensing Agreement



Development of biogenic amine reuptake inhibitors for depression and other CNS disorders. Preclinical lead compounds licensed Oct. 2005.

- Received over \$32 million in upfront fees, research funding and milestones
- Milestones up to \$66 million per compound for first two compounds and up to \$22 million per compound on subsequent compounds
- Opportunity for multiple drug candidates
- Royalties on worldwide sales of commercialized compounds
- One compound in Phase II, one compound in Phase I, third compound in preclinical development, potential fourth backup

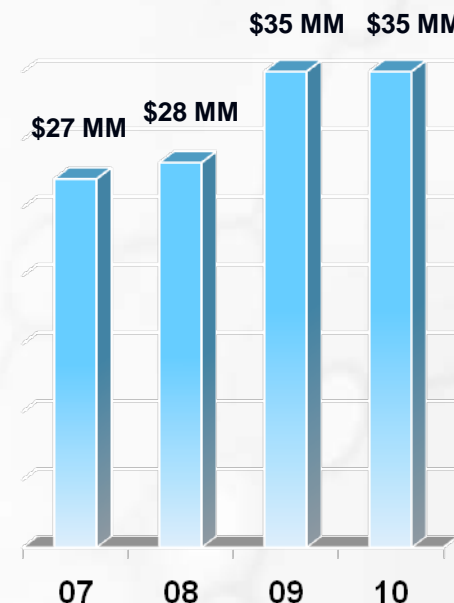
Viewed by BMS as one of its most promising development programs for treatment resistant depression.

AMRI Patents & Royalties

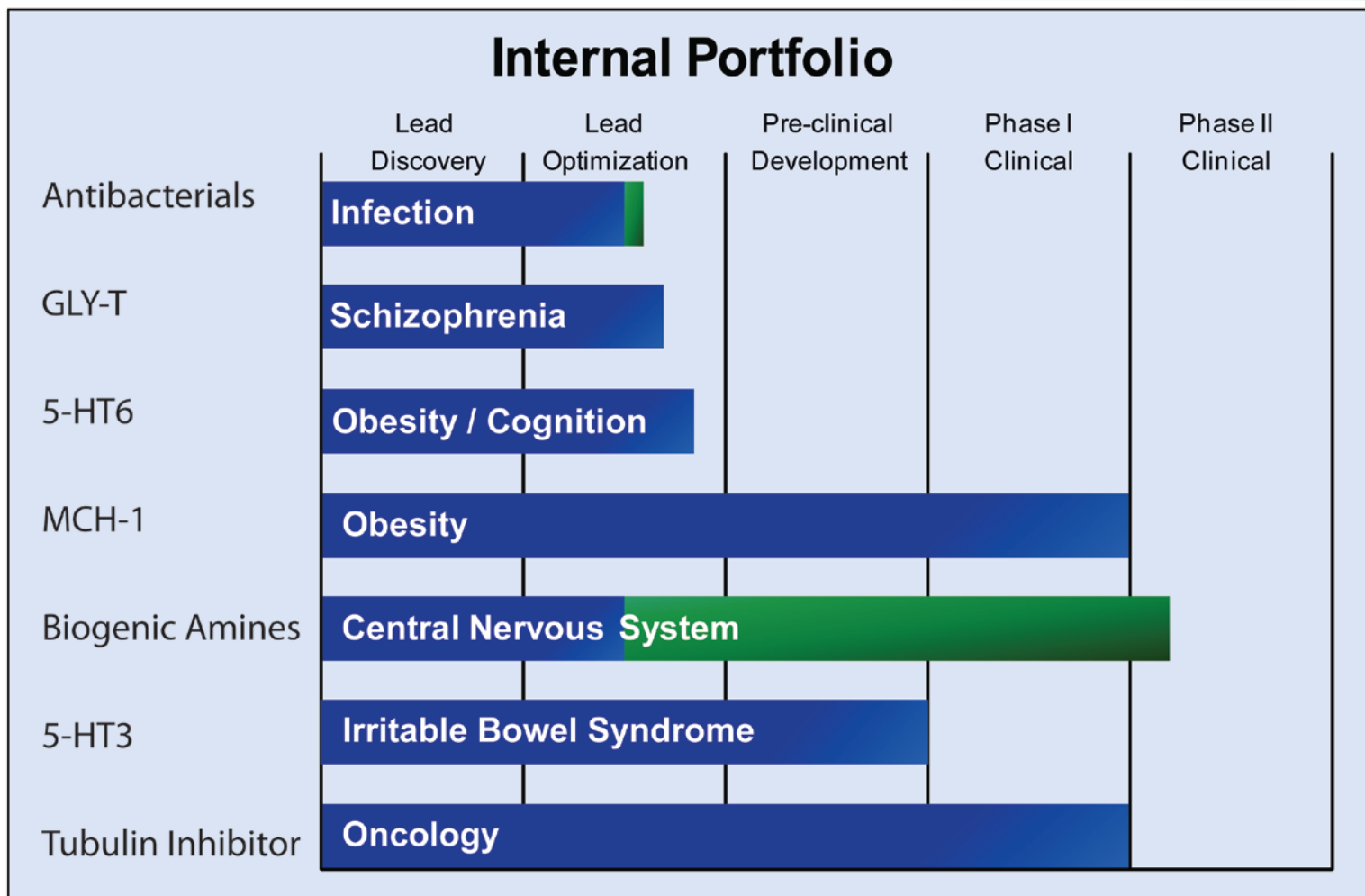
Allegra®



- AMRI licensed technology to Sanofi-Aventis in 1995
- Earn royalties through 2015
- At risk launch of generic version by Barr/Teva in September 2005
- Amended license agreement in 2008 to allow sublicense to Teva/Barr
 - Received \$10 M upfront payment for sublicense
 - Received increased royalties from Sanofi-Aventis; royalties on Teva/Barr sales
- Sanofi-Aventis launched OTC in March 2011 in US



Partnering and Out-Licensing Opportunities

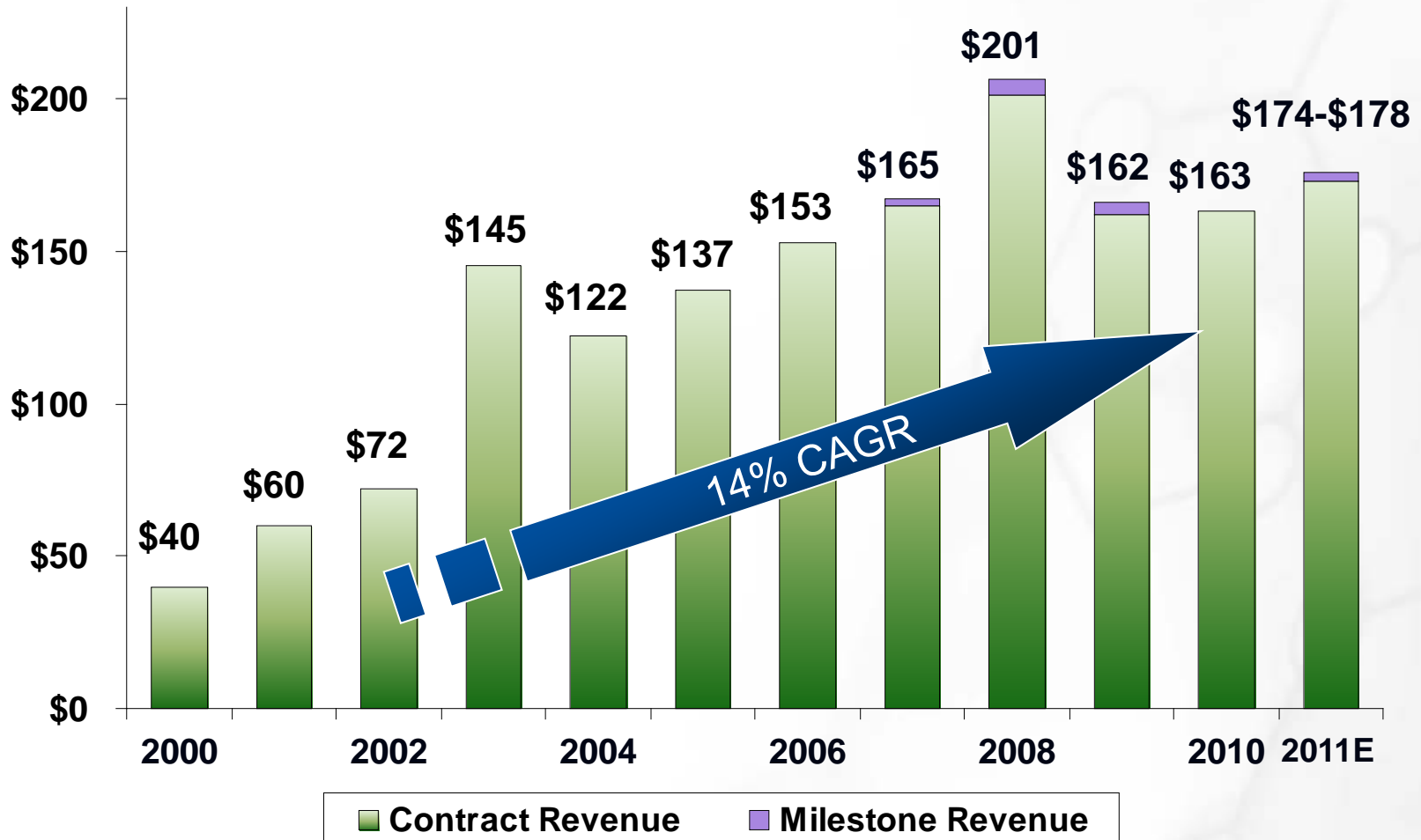


AMRI internal

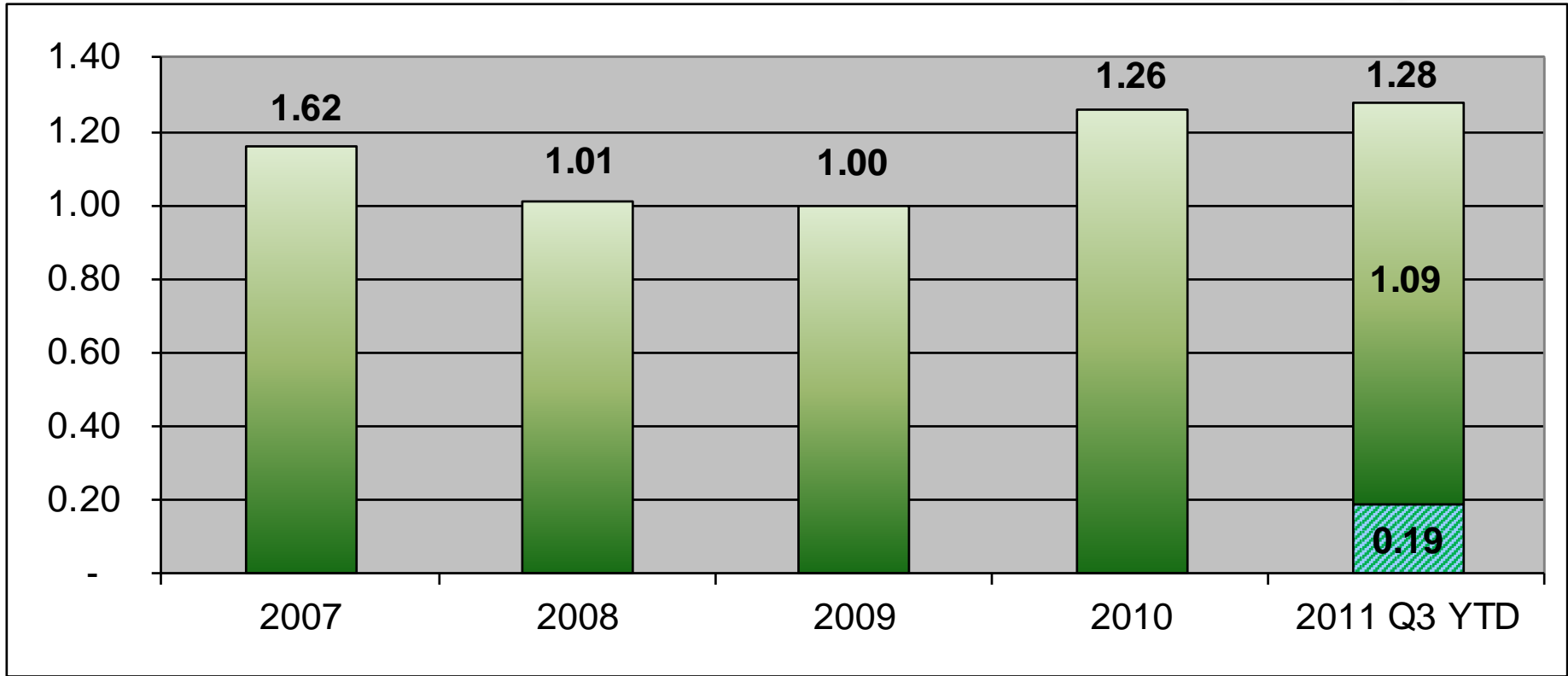
Partnered project


Moving Forward

Revenue Growth



Book to Bill Ratio



 Multi-year contracts

Improvement in the Book to Bill Ratio provides optimism for revenue growth.



Going Forward Initiatives

- Increase global market share
- Right size operating structure
- Continue to enhance quality profile
- Expand long-term strategic partnerships (in-sourcing, not-for-profit/government collaborations, venture capital relationships, etc.)
- Out-license/partner remaining proprietary compounds
- Return to profitability

Adjusting business strategy to address changing market.

APPENDIX

Condensed Balance Sheet



(In \$MM's)	September 2011	December 2010
<u>Assets</u>		
Cash and Investments	\$20.0	\$41.5
Accounts Receivable	34.1	32.8
Royalty Receivable	6.5	7.4
Inventory	25.1	27.1
Net PP&E	157.2	163.2
Total Assets	\$296.1	\$325.1
<u>Liabilities and Equity</u>		
Accounts Payable & Accrued Expenses	\$25.9	\$28.4
Deferred Revenue	11.4	19.8
Debt	9.3	13.2
Stockholders' Equity	235.7	243.7
Total Liabilities and Equity	\$296.1	\$325.1

Major Competitors



	Discovery	Development/Small Scale	Large Scale
US		Ash Stevens Cambridge Major Irix Norac Regis Ricerca	Cambrex Johnson Matthey SAFC Ash Stevens
Europe	Chem Div Evotec Galapagos	Almac Aptuit Carbogen Hovione Onyx Scientific Solvias	DSM Evonik Hovione Lonza Fabbrica Italiana Syntetici Saltigo
Asia	GVK Bio Shanghai Chem Partner WuXi Syngene	GVK Bio Jubilant Syngene	Dishman Jubilant Nicholas Piramal Dr. Reddy's Labs Shasun Arch Pharmalabs

AMRI only company which competes across all segments