# APP Pharmaceuticals, Inc.

## FORWARD-LOOKING STATEMENTS

The statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this presentation include statements regarding our expectations, beliefs, hopes, goals, intentions, initiatives or strategies, including statements regarding the proposed separation of the proprietary product business from the hospital-based business, future capital expenditures required, anticipated research and development and general and administrative expenses, and the projected financial results of New APP. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those in the forward-looking statements. These factors include, without limitation, the inability to obtain a favorable private letter ruling from the IRS on the tax-free nature of the transactions; risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention; the inability to recognize the benefits of the transactions contemplated by the separation of the businesses; decisions by regulatory authorities regarding whether and when to approve product candidates; regulatory developments (domestic or foreign) involving the company's manufacturing facilities; the market adoption and demand of products; the impact of pharmaceutical industry regulation; the impact of competitive products and pricing; the availability and pricing of ingredients used in the manufacture of pharmaceutical products; the ability to successfully manufacture products in a time-sensitive and cost effective manner; the acceptance and demand of new pharmaceutical products; and the impact of patents and other proprietary rights held by competitors and other third parties. Additional relevant information concerning risks can be found in the company's Annual Report on Form 10-K for the year ended December 31, 2006 and in other documents it has filed with the Securities and Exchange Commission.

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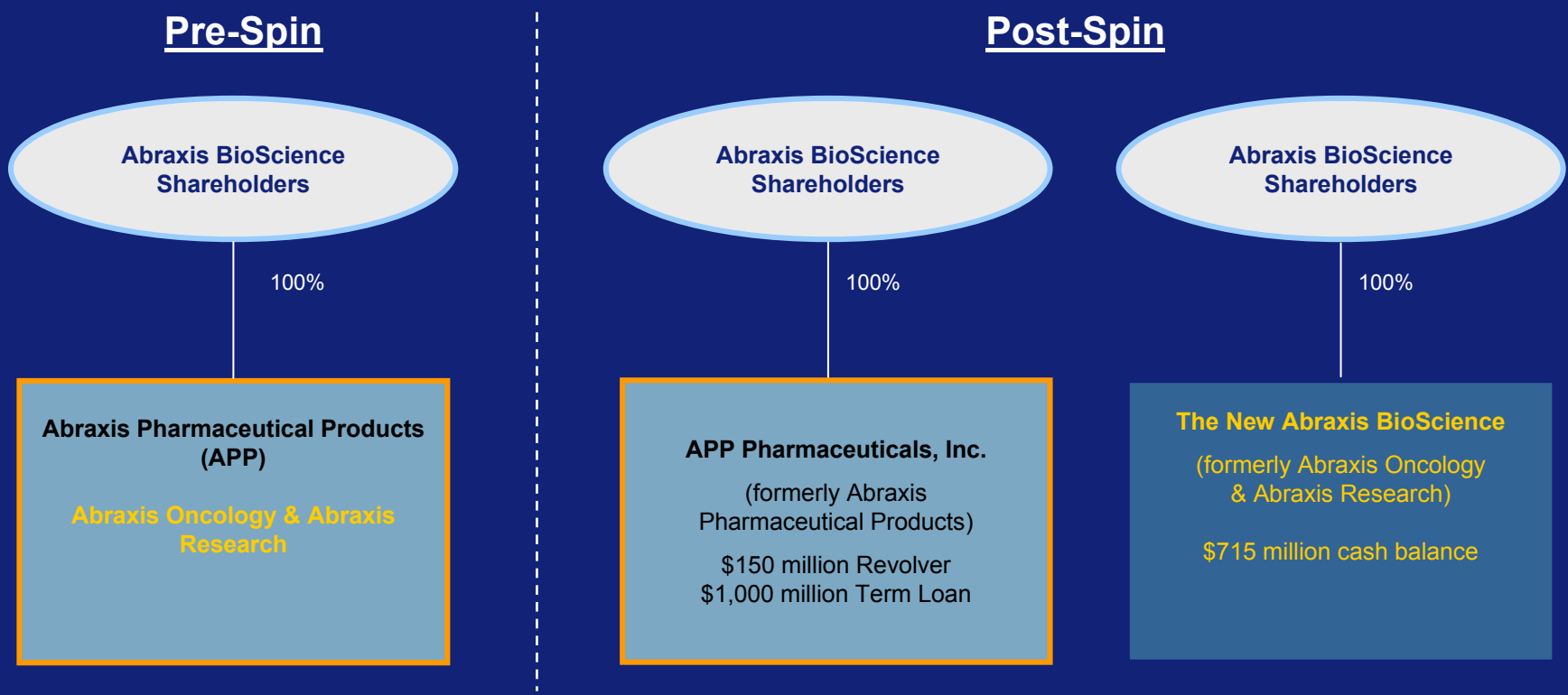
# Transaction Summary

# Transaction Description

- On July 2, 2007, Abraxis BioScience, Inc. ("Abraxis") announced that its board approved the separation of its proprietary business, Abraxis Oncology and Abraxis Research (the "New Abraxis BioScience"), from its hospital-based business, Abraxis Pharmaceutical Products ("New APP" or the "Company")



# Strategic Rationale

- Benefits:
  - Enables each stand-alone publicly traded company to:
    - Focus on respective pipelines
    - Compete more effectively in each specialized marketplace
    - Pursue unique strategic initiatives
  - Allows valuation on pure-play metrics and accommodates different capital requirements
- Unlocking APP Value:
  - APP will be in a position to maximize its core strength to enhance current product offerings and pursue new opportunities
- Unlocking New Abraxis BioScience Value:
  - Pure-play biotechnology company focused on its *nab* technology platform, clinical development program and product commercialization with adequate capital for success

# Transaction Description

- The transaction will be structured as a spin-off of the New Abraxis BioScience
- Expected to be a tax-free transaction to Abraxis and its shareholders. On October 5, 2007, Abraxis received a private letter ruling from the Internal Revenue Service regarding the material United States federal income tax consequences of certain aspects of the separation and related transactions
- Pro Forma New APP is estimated to generate 9/30/07E LTM Revenue and Adjusted EBITDA of $652 million and $263 million, respectively
- The financing package represents total leverage of 3.8x based on 9/30/07E LTM Adjusted EBITDA:
  - $150 million revolver (the “Revolving Credit Facility”, unfunded at close)
  - $1,000 million term loan
  - Approximately $715 million in cash will be used to finance New Abraxis BioScience’s proprietary pipeline development, commercialization of Abraxane and future acquisitions

# Company Snapshot

# Largest Pure-play US Stand-alone, Hospital-based Injectable Pharmaceuticals Company

- Approx. 1,400 employees
- 9/30/07E LTM Sales = $652 million
- 100+ marketed products
- 400+ dosage forms
- 60+ products in development
- 29 ANDAs pending

| Anti-Infective | Anesthetic / Analgesic | Critical Care | Oncology |
|---|---|---|---|
| ▪ 9/30/07E LTM Sales: $183M<br>▪ 21 marketed products<br>▪ #1 in the U.S. for 8 products | ▪ 9/30/07E LTM Sales: $202M<br>▪ 11 marketed products<br>– 8 products acquired from AstraZeneca (June 2006) | ▪ 9/30/07E LTM Sales: $213M<br>▪ 55 marketed products<br>▪ #1 in the U.S. for 15 products<br>▪ #2 in the U.S. for 10 products | ▪ 9/30/07E LTM Sales: $54M<br>▪ 16 marketed products<br>▪ #1 in the U.S. for 5 products |

***APP has a broadly diversified portfolio***

# New APP's Products Touch Every Aspect of the Hospital

# Business Strategy

**Founding Vision:**

*To "proprietarize" the injectable pharmaceutical business with differentiated products and unique market position*

- ✓ Establish a broad product portfolio that comprehensively mirrors the U.S. hospital market demand
- ✓ Develop injectable products for which New APP is the exclusive manufacturer in the United States
- ✓ Develop difficult to manufacture products for which there is little or no competition
- ✓ Develop manufacturing capabilities that span the entire spectrum of delivery forms
- ✓ Secure broad GPO contracting relationships to create built-in demand
- ✓ Create a platform for continued growth and profitability

***Unique injectables platform***

# APP's Key Advantages for Success

# Key Advantages for Success

- Higher Barriers to Entry for Generic Injectables than Solid Oral Products
- Increasing Volume of U.S. Injectable Patent Expirations
- Market Leading Generic Injectables Company
- Differentiated Product Portfolio with Unique Market Position
- One of the Most Diverse Injectable Portfolios
- #1 in Injectable ANDA Approvals from 2001 - 2007 YTD
- Strong Product Development Capabilities and Pipeline
- Manufacturing Capabilities Provide a Strategic Competitive Advantage
- Excellent GPO & Distribution Relationships
- Impressive Record of Revenue Growth
- Highly Experienced Management Team

# Higher Barriers to Entry for Generic Injectables than Solid Oral Products

**Manufacturing Challenges**

- Sterile manufacturing standards require special airflow and purification processes, and water for injection
- Separate manufacturing facilities required for certain products, including cephalosporins and penicillins, and separate manufacturing areas for cytotoxics

**Development Challenges**

- More difficult API sourcing - smaller quantities of product result in fewer competitors and product availability
- Certain products can be more challenging (cytotoxics) due to enhanced handling requirements

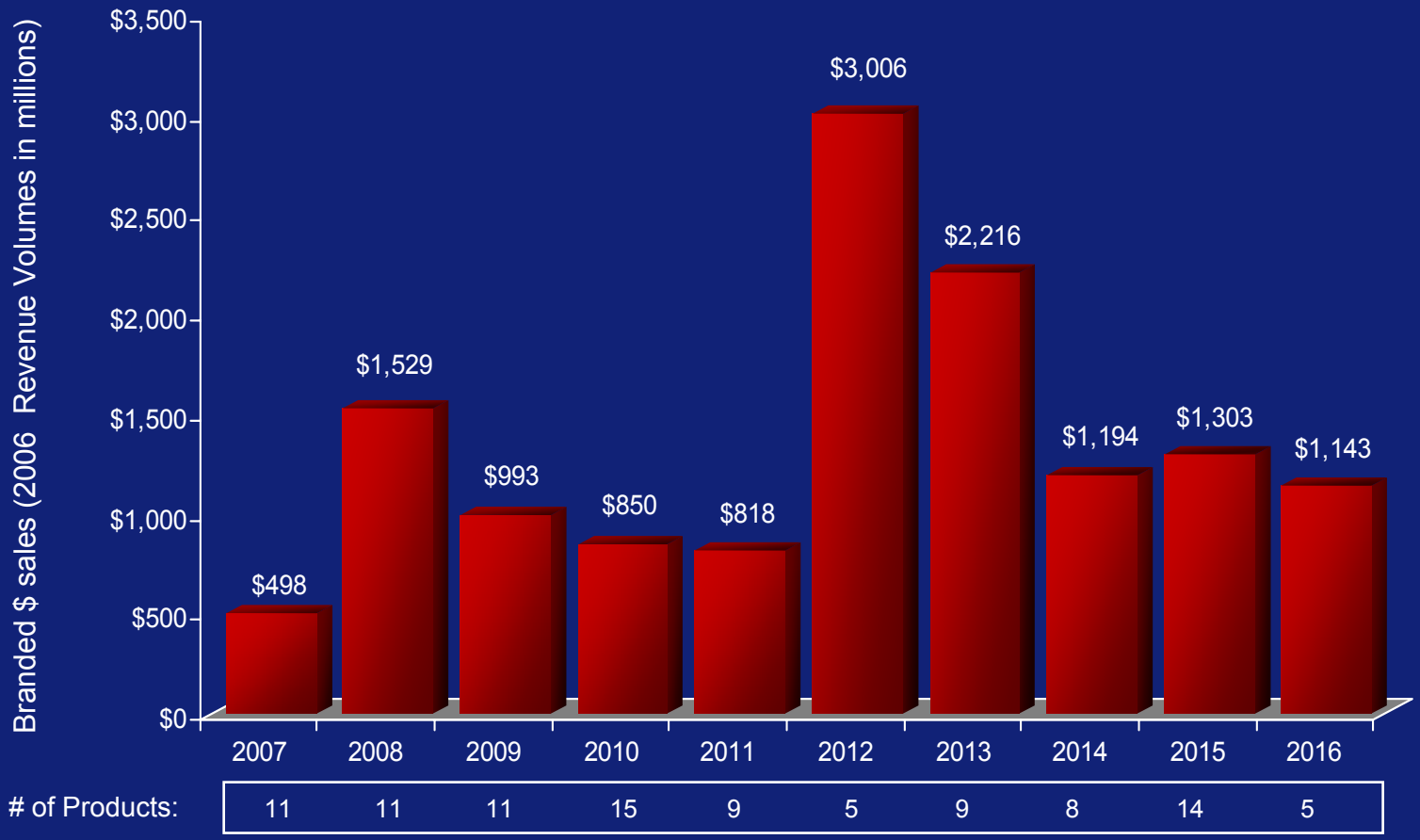
**Commercial Challenges**

- Few key GPO's and specialty distributors aggregate purchasing for customers
  - Relationships very important
  - Broad portfolio enables GPOs to limit numbers of suppliers

**Higher barriers to entry lead versus Oral Products**

# Increasing Volume of U.S. Injectable Patent Expirations

***In 2006, the U.S. Generic Injectables Market was Approximately $3 billion***

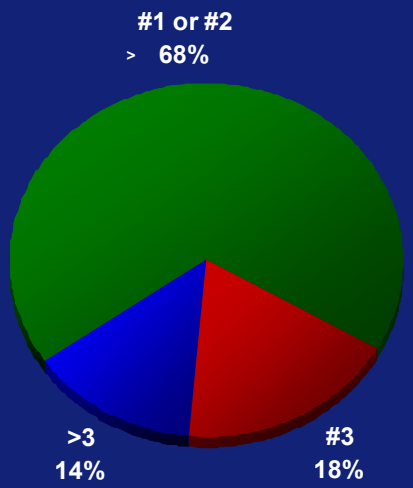



***Approximately 98 patent expirations representing approximately $13.6 billion (in 2006 sales) are scheduled to lose patent protection between 2007 – 2016***

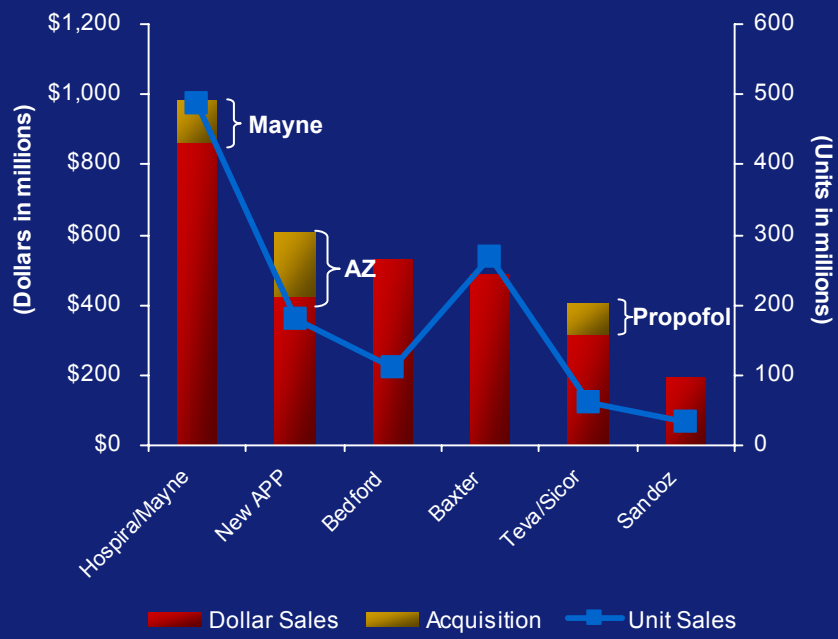
*Source: U.S. FDA Orange Book and APP estimates. Excludes biologics. 2006 IMS reported sales.*

# Market Leading Generic Injectables Company

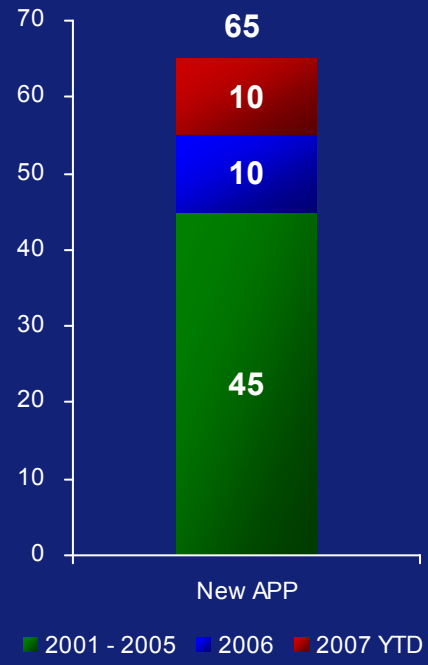
**New APP Unit Share [a]**




**Industry Dollar / Unit Sales [a]**



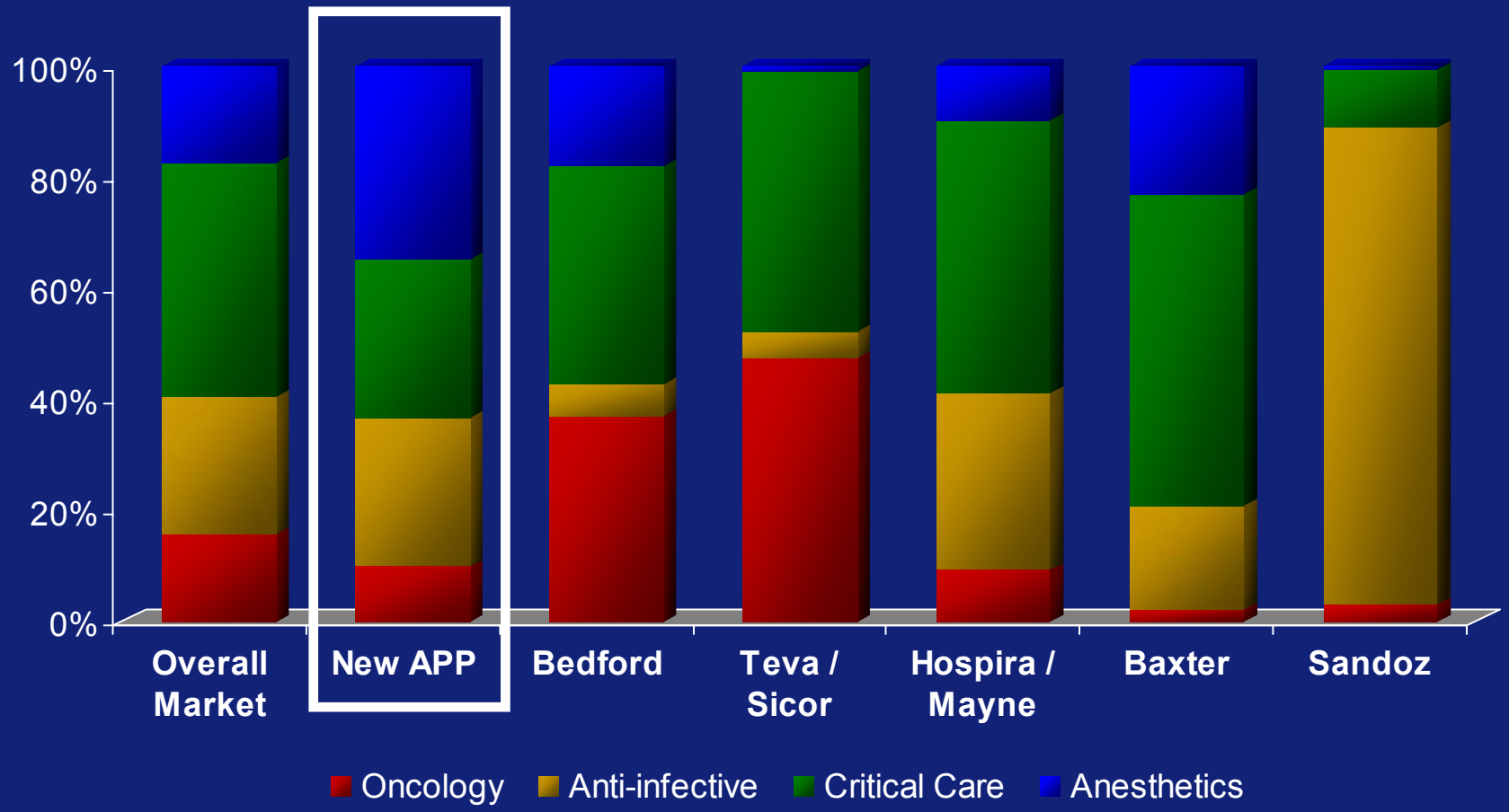

**#1 in ANDA Approvals [b]**




**Over 80% of APP's products rank in the top 3 in both dollar and unit share**

(a) IMS 2007 1H annualized.
(b) 2001 – 10/19/2007.

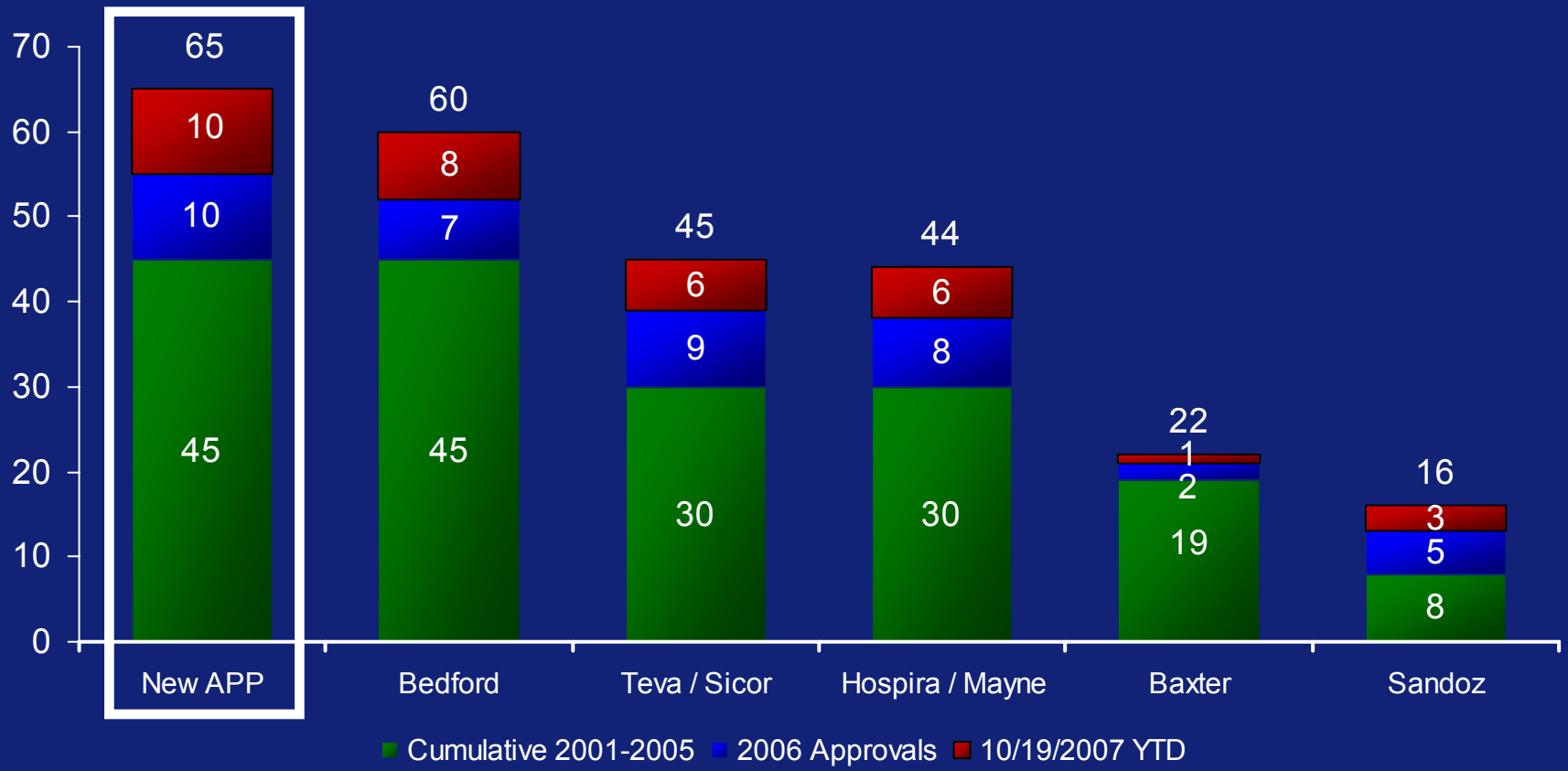
# One of the Most Diverse Injectable Portfolios




***New APP enjoys the most diversified product mix within the injectable space***

*Note: Breakdown based on dollar sales. New APP includes AstraZeneca for the full year 2006.*
*Source: IMS 2006 full year data*

# #1 in Injectable ANDA Approvals from 2001 - 10/19/2007

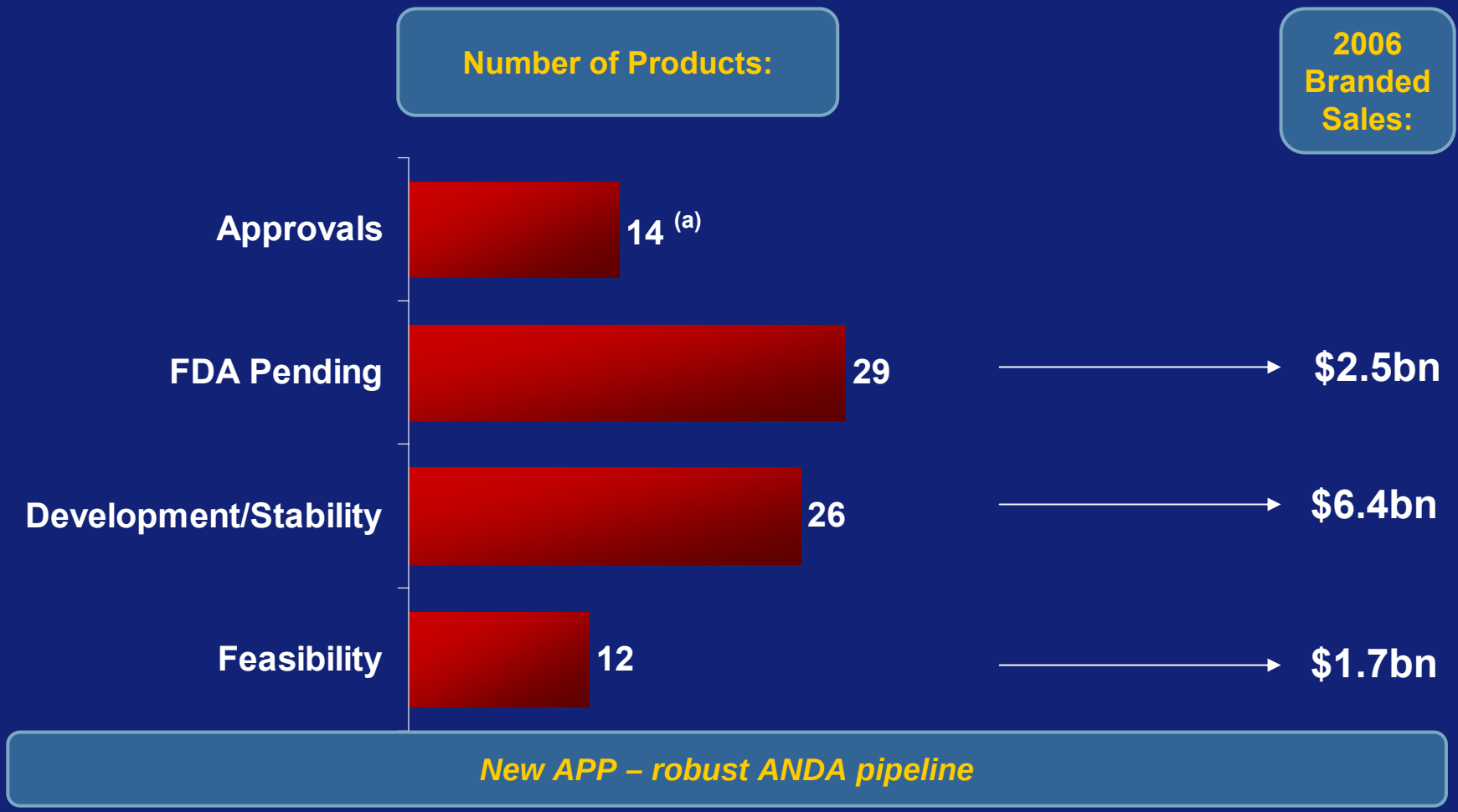



***#1 in 2006 U.S. injectable ANDA approvals***

*Note: Excludes tentative approvals.*

*Source: CDER as of December 31, 2006 / FDA OGD Generic Approvals website as of 2007 YTD*

# Strong Product Development Capabilities and Pipeline




(a) Includes tentative approvals, YTD as of 10/19/2007.

*Source: Company information, 2006 IMS National Sales Perspective*

# Manufacturing Capabilities Provide a Strategic Competitive Advantage

- Developed manufacturing capabilities that span the entire spectrum of delivery forms
- Over $130 million of capital invested over the past 5 years to boost manufacturing capacity and establish a platform to support future growth
  - Modest future capital expenditures required
- Ability to manufacture comprehensive range of injectable products at each site
- Four facilities with approx. 700,000 sq ft of U.S. and EU compliant operations
  - 14 lyophilizers
  - 12 vial filling lanes
- Capability to produce key products at multiple manufacturing facilities
- Only generics company with dedicated cephalosporin manufacturing in U.S.
- Over 1,000 employees dedicated to quality manufacturing
- State-of-the-art facility in Puerto Rico adds significantly expanded production capacity and adds new manufacturing capabilities

# Excellent GPO & Distribution Relationships

## GPOs

- Existing GPO contracts cover >95% of the acute care market
- Existing relationships extend to other channels (e.g., clinics, home care, surgi-center)

## Distribution

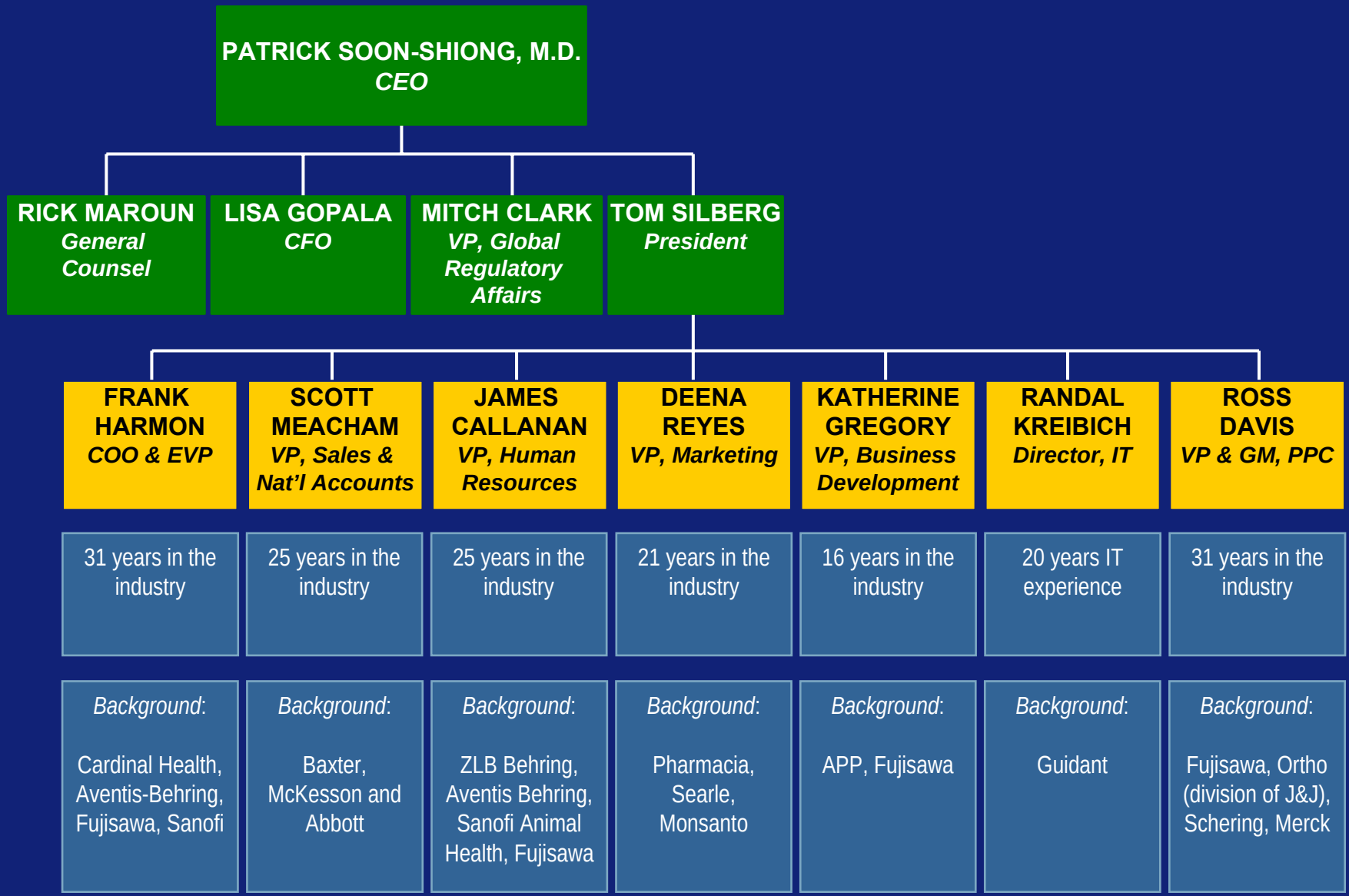
- Big 3 national wholesalers inventory 95%+ of APP dosage forms and distribute 80%+ of sales dollars
- Sole source contractual relationship with US Oncology (900 clinics) and a primary/secondary position with Oncology Supply (2,500 clinics) for many oncology products

# Impressive Record of Revenue Growth


- 23% revenue 7-year CAGR from 1999 to 2006
- 54% Gross margin in 2006
- 43% Adjusted EBITDA in 2006
- Strong cash flow generation

*Note: LTM is as of 9/30/07E. 2006 includes only six months of results for AstraZeneca*

# Highly Experienced Management Team



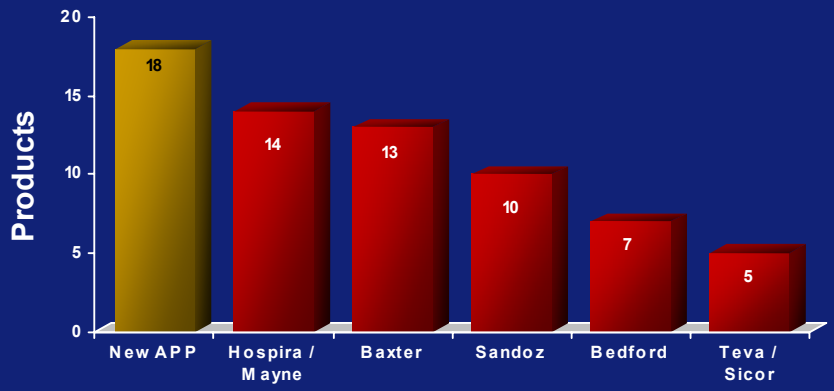
# Company Overview

# An Integrated Injectables Business

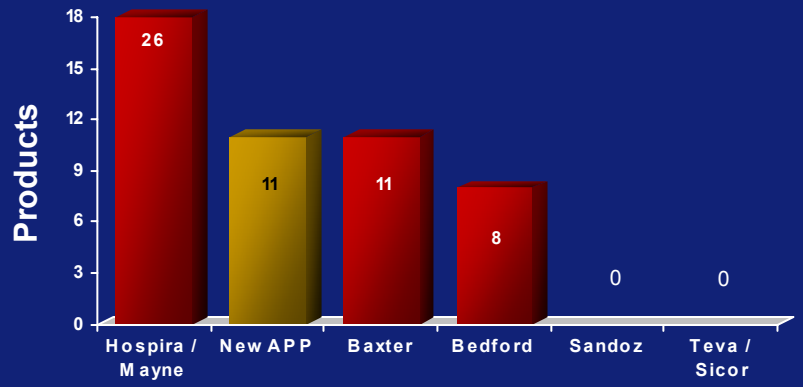
# Product Overview

# Differentiated Therapeutic Mix With a Broad Portfolio in Each Category

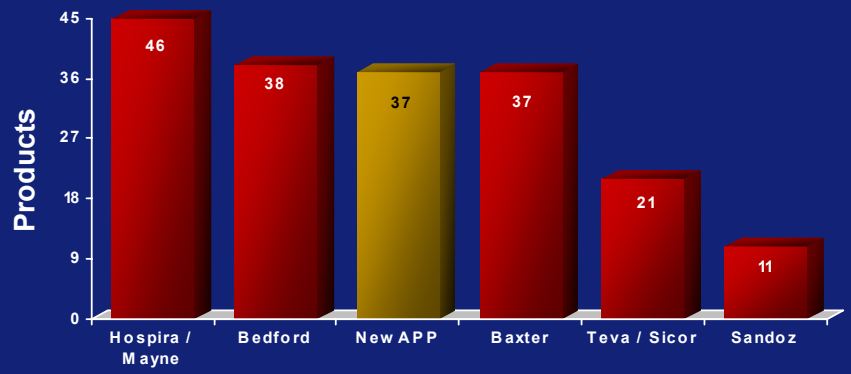
## Anti-Infective



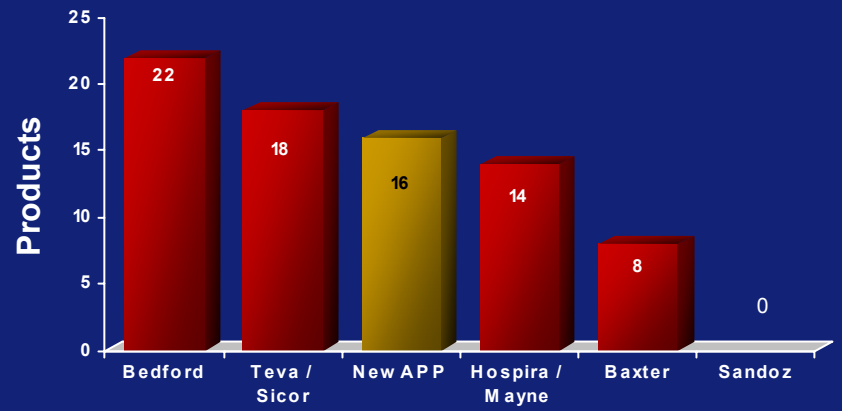

## Anesthetic / Analgesic




## Critical Care




## Oncology

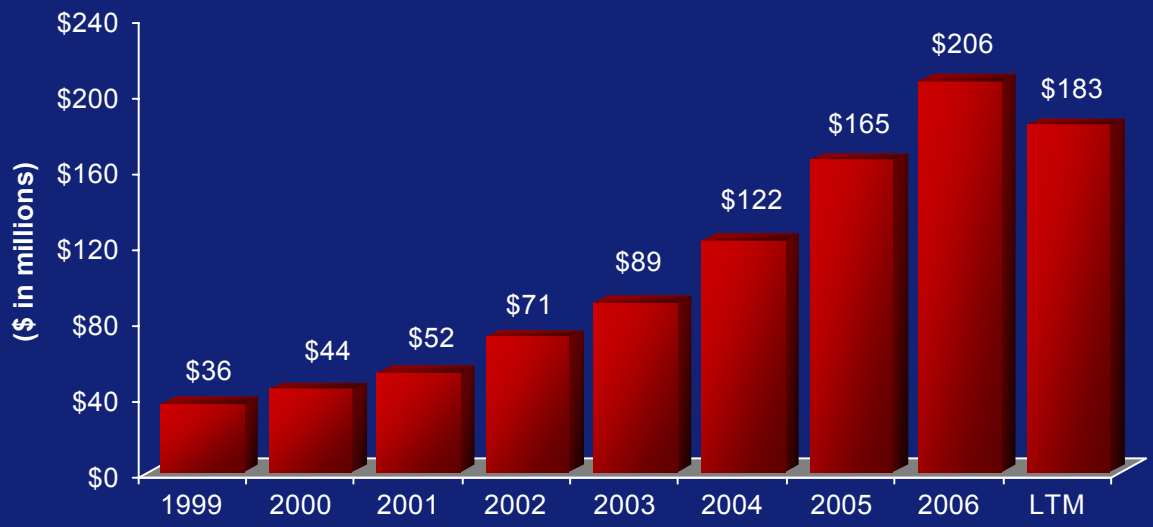



*Source: 2006 IMS (excludes systems)*

# Anti-Infectives

- 21 marketed anti-infective products [a]
- #1 in the U.S. for 8 products [b]
- 28% CAGR since 1999
- 12 ANDAs pending and 7 in development

## Revenues




## Key Products

- Vancomycin
  - Indication: Staph and strep infections
    - Mature generic market
- Azithromycin
  - Indication: Pneumonia
    - APP 1st generic to market, plus one authorized generic and innovator
- Ampicillin / Sulbactam
  - Indication: Gynecological infections
    - Launch into an existing generic market with one generic player and innovator
    - Recognized supply need

*Note: LTM figures are as of 9/30/07E and contain estimated Q3 2007 results.*

(a) Includes 18 in U.S. and 3 in Canada.

(b) Based on units.

# Anesthetics and Analgesics: Demonstrated Ability to Leverage Infrastructure for Acquisitions

- Acquired 8 marketed anesthetic / analgesic products in over 100 dosages and formulations from AstraZeneca in June 2006
  - 5-year supply agreement
  - Right of first offer to license Naropin and Diprivan ex-U.S.
  - Right of first negotiation for authorized generic injectables in U.S.
- Diprivan and Naropin are patent protected
- 2H06 Revenue of $112mm; 9/30/07E LTM revenue of $202mm
- Demonstrates ability to acquire injectable portfolios
  - Leverage current marketing, distribution and SAP infrastructure
  - Fully integrated within 6 months

**Acquired Products**

- Diprivan®
- Naropin®
- Xylocaine®
- Sensorcaine®
- EMLA®
- Astramorph®
- Polocaine®
- Nesacaine®

# Critical Care

- 60 marketed injectable critical care products [a]
- #1 in the U.S. for 15 products [b]
- #2 in the U.S. for 10 products [b]
- 15% CAGR since 1999
- 8 ANDAs pending and 19 in development

## Revenues


*Note: LTM figures are as of 9/30/07E and contain estimated Q3 2007 results.*

(a) Includes U.S. and Canada portfolio and devices.

(b) Based on units.

## Key Products

- Heparins
  - Indication: Blood clotting
    - Mature generic market with one other generic player
    - Manage product to achieve #1 dollar and unit share position
- Hydralazine
  - Indication: High blood pressure
    - New APP holds private label
    - #1 dollar and unit share position
- Protamine
  - Indication: Heparin reversal agent
    - Exclusive product
    - Utilize to enhance GPO contract position

# Oncology

- 16 marketed injectable products in 33 dosages and formulations
- #1 in the U.S. for 5 products [(a)]
- 23% CAGR since 1999
- 9 ANDAs pending and 12 in development

## Revenues


*Note: LTM figures are as of 9/30/07E and contain estimated Q3 2007 results.*

(a) Based on units.

## Key Products

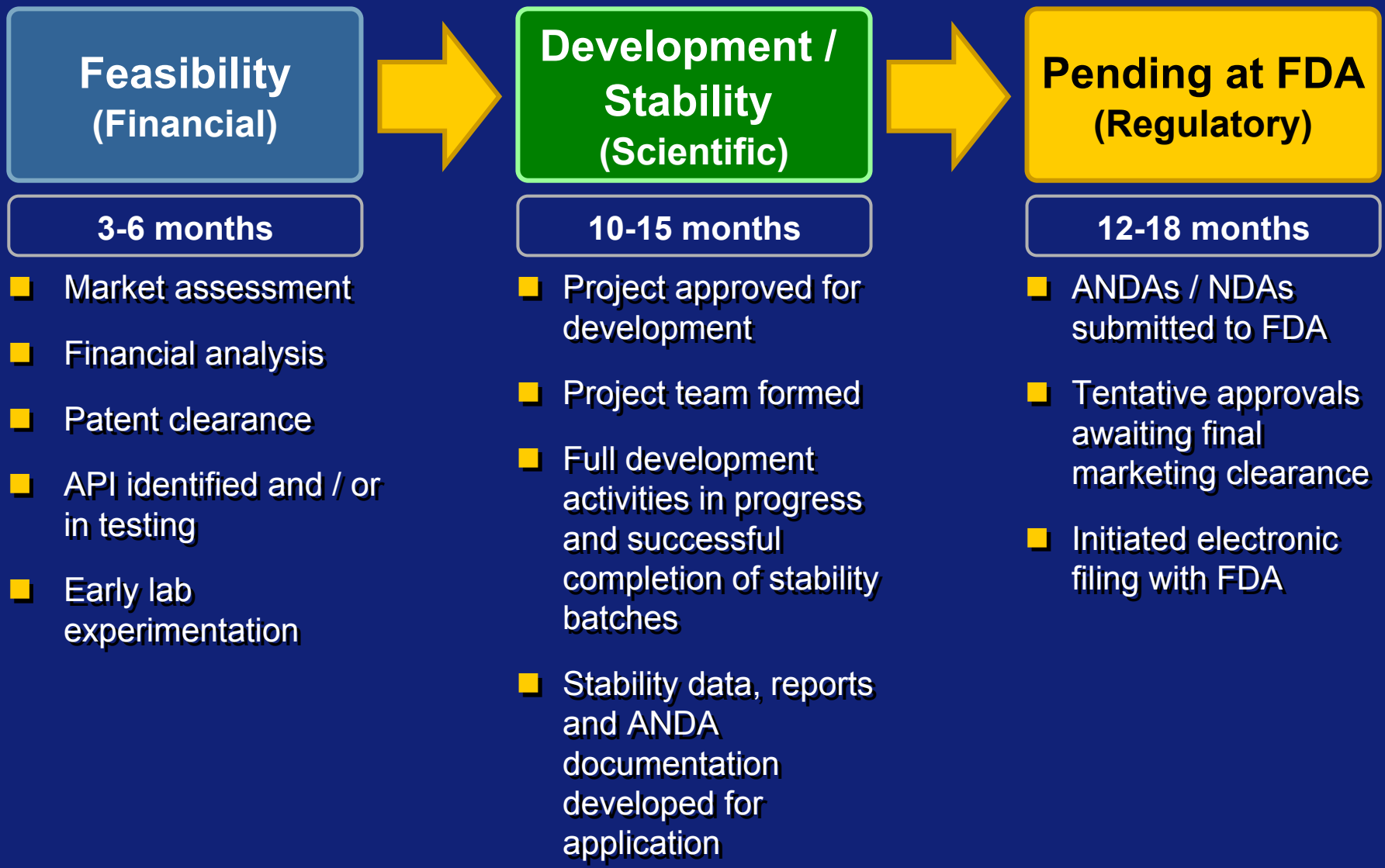
- Mesna
  - Indication: Chemotherapy
    - 1st generic to market
    - Responding to market needs drove Mesna market growth
- Fluorouracil
  - Indication: Colon carcinoma
    - Mature market
    - New APP dominates unit and dollar share
- Ifosfamide
  - Indication: Colon carcinoma
    - 1st generic to market, overcame citizen's petition with 6 months exclusivity

# Pipeline overview

# Industry Leading Product Development Organization

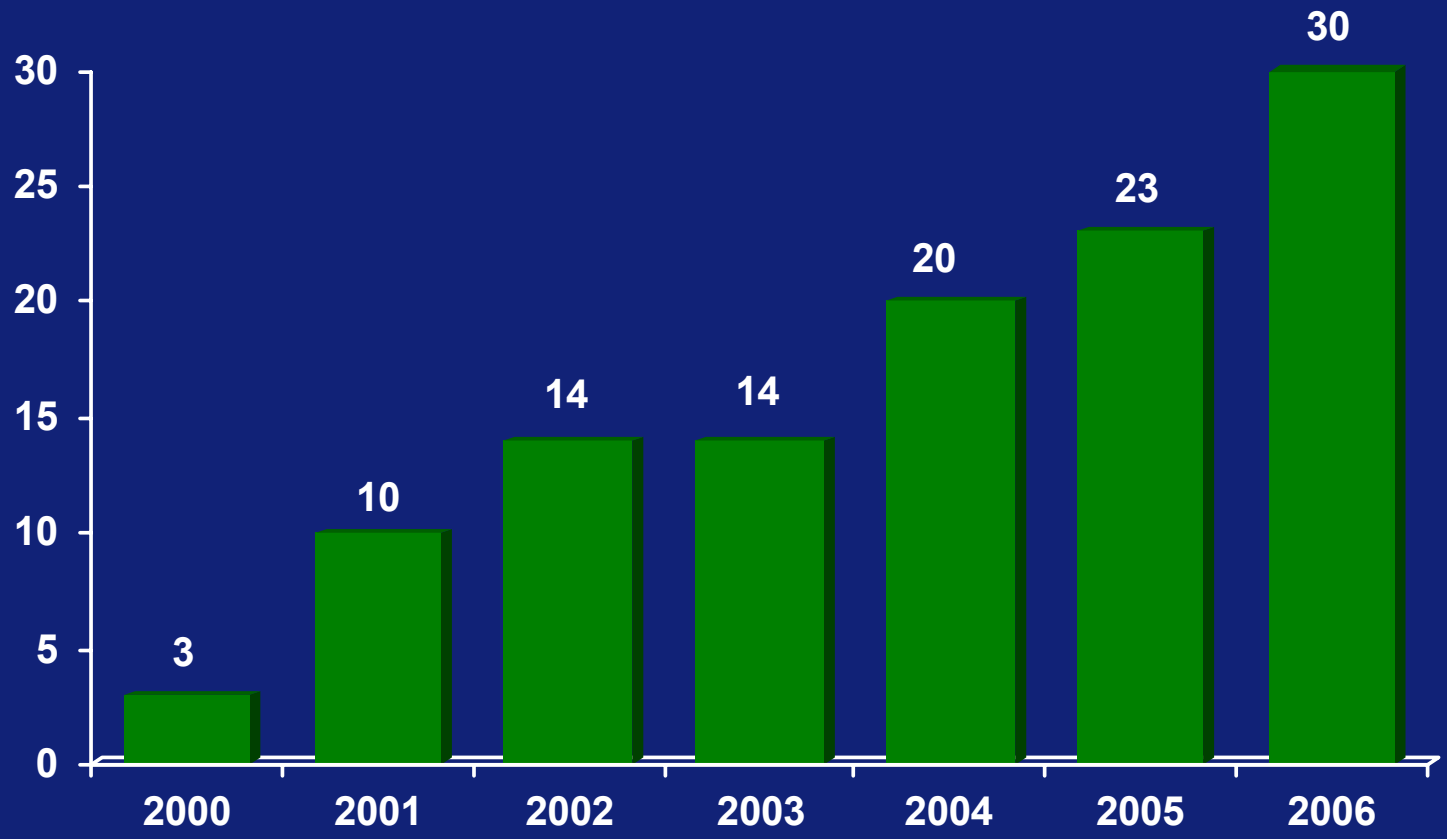
- Robust ANDA pipeline currently pending FDA approval
- Highly educated and experienced management team and scientists
  - Over 50% of staff hold advanced degrees (26 people)
  - Over 50% of staff have over 10 years experience (26 people)
    - 20% have over 20 years experience (11 people)
  - Educational backgrounds include:
    - Biochemistry
    - Biophysics
    - Cell & Molecular Biology
    - Organic Chemistry
    - Polymer Chemistry
    - Pharmaceutics
    - Toxicology
  - Proven track record of success for pipeline development and new product approvals
- New development laboratory with state-of-the-art equipment

# Pipeline Development Cycle



# Growth in New Product Development

**ANDAs Pending at FDA at End of Year**




| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|
| # of ANDA Submissions | | 10 | 10 | 10 | 13 | 14 | 11 |
| # of ANDA Approvals | | 10 | 12 | 5 | 12 | 6 | 10 |

# Manufacturing Overview

# Manufacturing Capabilities Provide a Strategic Competitive Advantage

- Comprehensive and diverse injectable manufacturing capabilities include:
  - Glass and plastic vials
  - Sterile powders
  - Liquids
  - Lyophilized
  - Aseptic
  - Terminally sterilized
  - Syringes

# Commercial Manufacturing Facilities

| | CAPACITY | CAPABILITIES |
|---|---|---|
| Grand Island, NY Manufacturing Facility  | ■ 342,000 sq. ft. (includes all facilities)<br>■ Current capacity 160 million annual units | ■ Aseptic vial filings<br>■ Terminal sterilization<br>■ Dedicated cephalosporin manufacturing<br>■ 6 lyophilizers<br>■ Key products: Oxytocin, Heparin, Diluents, Abraxane |
| Grand Island, NY Cephalosporin Facility  | ■ 25,000 sq. ft.<br>■ Capacity to manufacture 12 million vials annually | ■ Dedicated aseptic powder filling facility and employees<br>■ Integrated warehouse and packaging capabilities<br>■ Key products: Cefazolin, Cefoxitin, Ceftriaxone, Cefuroxime |
| Melrose Park, IL Manufacturing Facility(1)  | ■ 130,000 sq. ft. – manufacturing, packaging, laboratory, office and warehouse<br>■ Capacity of 50mm annual units | ■ Terminal sterilization<br>■ 6 lyophilizers<br>■ Oncology capabilities<br>■ Key products: Vancomycin, Azithromycon, Doxycycline, Hydralazine, Oncology products |

(1) Melrose Park facility will be owned by New Abraxis BioScience. New APP will lease this facility for 4 or 5 years post spin-off during which time, product manufacturing will be transferred to Puerto Rico and Grand Island

# Puerto Rico Manufacturing Facility

- Acquired in February '07 from Pfizer for $32.5 million
- Significantly expands production capacity, better positions New APP for long-term growth
- First product approved (CBE-30) February 13, 2007
- Product transfers progressing on schedule
- Commercial revenue generation Q4 2007
- Access to an experienced labor pool
- Anticipated preferential tax treatment
- EU compliance

## CAPACITY

- 272,000 sq. ft. manufacturing facility (including 90,000 sq. ft. leased back to Pfizer which will be conveyed to New Abraxis BioScience)
- 51,600 sq. ft. QA & Labs
- Current annual capacity: 42mm units

## CAPABILITIES

- U.S. & E.U. compliant facilities
  - Aseptic vial filling
  - 2 lyophilizers
  - Metered dosed inhalers
- Full analytical and microbiology laboratories

## INITIAL PRODUCTS

- Doxycycline (approved)
- Diphenhydramine
- Azithromycin
- 45 products designated for transfer to Puerto Rico facility

# Manufacturing Summary

- Four U.S. and E.U. approved facilities
- Highly automated state-of-the-art manufacturing lines designed to:
  - Minimize standard cost
  - Deliver consistent high quality products
- Dual site manufacturing capability for key products to:
  - Protect market share
  - React to market opportunities
- Planned capacity to manufacture over 310 million vials annually
- Experienced non-union labor force at all facilities
- Expansion capabilities at multiple sites to absorb:
  - Continued product and new platform growth
  - Potential product acquisitions
  - Increased market share penetration
- Invested over $130 million in infrastructure over the past 5 years, modest future capital expenditures required
- Experienced manufacturing team with average of 31 years experience

# Transaction Transition and Separation Plan

# Transition Plan Overview

- New APP and New Abraxis BioScience will provide the other party with various services on an interim, transitional basis generally for up to 24 months, and 4 or 5 years in the case of manufacturing related activities
- Payments will be based on actual costs for each service
- New Abraxis BioScience will provide New APP with the following services:
  - Legal services (e.g., assistance with SEC filings, labor and employment matters, and litigation support)
  - Regulatory support for certain products
  - Financial services
  - Corporate development
  - IR and corporate communications
- New APP will provide New Abraxis BioScience with the following services:
  - Regulatory support (including assistance with state and federal license renewals)
  - Manufacturing and quality assistance and control
  - Information technology support
  - Corporate insurance and franchise tax services
  - Customer service

# Financial Overview: 2004 – LTM 9/30/07E

The unaudited Summary Income Statement and Quarterly Analysis of New APP were derived from the elimination of the historical results of operations of the business of New Abraxis BioScience, as reflected in the Form 10 Registration Statement of New Abraxis Inc. filed with the SEC on November 2, 2007, from the historical results of operations of Abraxis BioScience previously filed with the SEC on Form 10-K for the fiscal year ended December 31, 2006 and on Form 10-Q for the six months ended June 30, 2007 (together with comparisons of the corresponding year to date period in the previous fiscal year).

The projected statements of income for New APP included herein for LTM September 30, 2007, for the three months ended September 30, 2007, the nine months ended September 30, 2007 and the three months ended December 31, 2007 are estimated and are subject to change. These projected statements of income were prepared using reasonable assumptions based on current information, however there can be no assurance that these estimates of future results will be realized, and estimates are subject to risks and uncertainties, many of which are not within our control. See "Forward-Looking Statements." We do not undertake any obligation to update publicly any forward-looking statement, including, without limitation, any estimate regarding revenues or earnings, whether as a result of the receipt of new information, future events or otherwise.

# Summary Historical Income Statements: 2004 – LTM 9/30/2007E

($ mm)

| ($mm) | Year ending December 31, 2004 | 2005 | 2006 | Nine months ended 9/30/06 E | Six months ended 6/30/07 | Estimated Q3 07E | LTM 9/30/07 E |
|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | |
| Anti-Infective | $122.0 | $164.7 | $206.1 | $152.0 | $87.1 | $41.3 | $182.5 |
| Anesthetic / Analgesic | 17.3 | 14.8 | 118.5 | 50.8 | 87.1 | 47.1 | 201.9 |
| Critical Care | 164.0 | 154.6 | 201.6 | 140.1 | 100.4 | 51.1 | 213.0 |
| Oncology | 96.1 | 51.8 | 56.7 | 40.7 | 24.7 | 13.4 | 54.2 |
| Contract Manufacturing/Other | 5.6 | (0.8) | 0.3 | (0.1) | 0.3 | 0.3 | 0.7 |
| **Total revenue** | **$405.0** | **$385.1** | **$583.2** | **$383.5** | **$299.6** | **$153.2** | **$652.5** |
| % growth | *15.3%* | *(4.9%)* | *51.4%* | - | - | - | - |
| **Gross profit** | **$215.7** | **$184.6** | **$317.8** | **$205.1** | **$155.2** | **$72.9** | **$340.8** |
| *% margin* | *53.3%* | *47.9%* | *54.5%* | *53.5%* | *51.8%* | *47.6%* | *52.2%* |
| SG&A | $53.4 | $63.0 | $67.0 | $46.0 | $40.6 | 20.8 | $82.5 |
| *% margin* | *13.2%* | *16.4%* | *11.5%* | *12.0%* | *13.6%* | *13.6%* | *12.6%* |
| R&D | $16.3 | $18.1 | $26.9 | $17.1 | 22.5 | 12.2 | $44.6 |
| *% margin* | *4.0%* | *4.7%* | *4.6%* | *4.5%* | *7.5%* | *8.0%* | *6.8%* |
| **EBIT** | **$146.1** | **$103.5** | **$223.9** | **$142.0** | **$92.1** | **$39.8** | **$213.8** |
| Depreciation & amortization | 8.9 | 12.4 | 13.8 | 10.0 | 9.0 | 4.7 | 17.6 |
| **Reported EBITDA** | **$155.0** | **$115.9** | **$237.7** | **$151.9** | **$101.1** | **$44.5** | **$231.4** |
| **Adjustments:** | | | | | | | |
| Puerto Rico start-up expense | 0.0 | 0.0 | 11.2 | 6.9 | 12.1 | 6.1 | 22.6 |
| Melrose Park revalidation | 0.0 | 14.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Separation related expense | 0.0 | 0.0 | 0.0 | 0.0 | 5.4 | 2.4 | 7.8 |
| Other | 5.5 | 2.0 | 3.1 | 2.1 | 0.0 | 0.0 | 1.0 |
| **Adjusted EBITDA** | **$160.5** | **$132.6** | **$252.0** | **$160.9** | **$118.6** | **$53.0** | **$262.7** |
| % margin | *39.6%* | *34.4%* | *43.2%* | *42.0%* | *39.6%* | *34.6%* | *40.3%* |
| Capex | $21.1 | $25.9 | $19.6 | $12.6 | $7.6 | $9.1 | $23.7 |
| % of sales | *5.2%* | *6.7%* | *3.4%* | *3.3%* | *2.5%* | *5.9%* | *3.6%* |

(a) Historical pro forma financials derived from previously filed SEC documents. Nine months ended 9/30/2006, Q3 07, and LTM 9/30/07 are estimated.

# Derived EBITDA Calculations : 2004 - 2006

**DERIVED EBITDA CALCULATIONS**

(unaudited, in thousands, except per share amounts)

| EBITDA CALCULATION: | YE 2004 - DERIVED | | | | YE 2005 - DERIVED | | | | YE 2006 - DERIVED | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 10K Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived | 10K Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived | 10K Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived |
| Net income/(loss) | $ 18,221 | $ (76,301) | $ (291) | $ 94,813 | $ 17,657 | $ (12,662) | $ (156) | $ 30,475 | $ (46,897) | $ (124,551) | $ 706 | $ 76,948 |
| Interest | 96 | 2,030 | | (1,934) | 5,807 | 6,276 | | (469) | 9,971 | 4,342 | | 5,629 |
| Income Taxes | 28,345 | - | | 28,345 | 37,989 | 478 | | 37,511 | 29,299 | (25,964) | | 55,263 |
| Depreciation | 9,715 | 2,052 | | 7,663 | 14,224 | 2,779 | | 11,445 | 19,108 | 5,882 | | 13,226 |
| Amortization | | | | - | | | | - | | - | | - |
| Amortization of intangibles | 1,105 | 118 | | 987 | 1,149 | 274 | | 875 | 1,608 | 683 | | 925 |
| Amortization of merger related intangibles | - | - | | - | - | - | | - | 38,275 | 27,349 | | 10,926 |
| Amortization of merger related inventory step-up | - | - | | - | - | - | | - | 12,480 | 737 | | 11,743 |
| Amortization of purchased product rights | - | | | - | - | | | - | 8,220 | | | 8,220 |
| Merger related in-process R&D charge | - | - | | - | - | - | | - | 105,777 | 83,447 | | 22,330 |
| Merger transaction expense | | - | | - | | - | | - | 17,954 | 5,608 | | 12,346 |
| **EBITDA** | 57,482 | (72,101) | (291) | 129,874 | 76,826 | (2,855) | (156) | 79,837 | 195,795 | (22,467) | 706 | 217,556 |
| *Adjustments for non-recurring items:* | | | | | | | | | | | | |
| Stock compensation (FAS 123(R)) | 9,801 | 3,211 | | 6,590 | 16,409 | 6,284 | | 10,125 | 35,023 | 26,220 | | 8,803 |
| Minority interest | 16,301 | - | | 16,301 | 25,875 | - | | 25,875 | 11,383 | - | | 11,383 |
| Loss on early retirement of debt | 1,986 | - | | 1,986 | | | | - | | | | - |
| Melrose Park revalidation | - | | | - | 14,689 | | | 14,689 | - | | | - |
| ERP Implementation | 6,364 | 887 | | 5,477 | | | | - | | | | - |
| Severance | - | | | - | 4,031 | 2,039 | | 1,992 | - | | | - |
| Non-recurring legal costs | | | | - | | | | - | 3,100 | | | 3,100 |
| Separation related costs | - | - | | - | - | - | | - | - | - | | - |
| Puerto Rico pre-launch costs | - | - | | - | - | - | | - | 11,246 | - | | 11,246 |
| **Adjusted EBITDA** | $ 91,934 | $ (68,003) | $ (291) | $ 160,228 | $ 137,830 | $ 5,468 | $ (156) | $ 132,518 | $ 256,547 | $ 3,753 | $ 706 | $ 252,088 |

(1) These adjustments are incremental to financials issued in 10K. As these adjustments are already included in Form 10, they should also be added to APP Derived.

# Derived EBITDA Calculations: Q1 – Q2 2007

| EBITDA CALCULATION: | 1Q 2007 - DERIVED | | | | 2Q 2007 - DERIVED | | | | 1H 2007 YTD - DERIVED | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 10Q Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived | 10Q Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived | 10Q Data | New Abraxis Form 10 Data | Adjustment(1) | APP Derived |
| Net income/(loss) | $ 11,115 | $ (5,671) | $ (552) | $ 17,338 | $ 23,086 | $ (14,534) | $ 12,447 | $ 25,173 | $ 34,201 | $ (20,205) | $ 11,895 | $ 42,511 |
| Interest | 3,314 | (296) | (1) | 3,611 | 4,333 | (43) | | 4,376 | 7,647 | (339) | (1) | 7,987 |
| Income Taxes | 6,197 | (3,484) | | 9,681 | 9,262 | (7,736) | 7,874 | 9,124 | 15,459 | (11,220) | 7,874 | 18,805 |
| Depreciation | 6,230 | 1,999 | | 4,231 | 7,028 | 2,237 | | 4,791 | 13,258 | 4,236 | - | 9,022 |
| Amortization | | | | - | | | | - | - | - | - | - |
| Amortization of intangibles | 211 | 110 | | 101 | 183 | 84 | | 99 | 394 | 194 | - | 200 |
| Amortization of merger related intangibles | 13,509 | 9,653 | | 3,856 | 13,509 | 9,652 | | 3,857 | 27,018 | 19,305 | - | 7,713 |
| Amortization of merger related inventory step-up | - | | | - | | | | - | - | - | - | - |
| Amortization of purchased product rights | 4,110 | | | 4,110 | 4,110 | | | 4,110 | 8,220 | - | - | 8,220 |
| Merger related in-process R&D charge | - | | | - | | | | - | - | - | - | - |
| Merger transaction expense | - | - | | - | | | | - | - | - | - | - |
| **EBITDA** | 44,686 | 2,311 | (553) | 42,928 | 61,511 | (10,340) | 20,321 | 51,530 | 106,197 | (8,029) | 19,768 | 94,458 |
| *Adjustments for non-recurring items:* | | | | | | | | | | | | |
| Stock compensation (FAS 123(R)) | 9,720 | 6,503 | | 3,217 | 7,351 | 3,955 | | 3,396 | 17,071 | 10,458 | - | 6,613 |
| Minority interest | - | - | | - | | | | - | - | - | - | - |
| Loss on early retirement of debt | | | | - | | | | - | - | - | - | - |
| Melrose Park revalidation | | | | - | | | | - | - | - | - | - |
| ERP Implementation | | | | - | | | | - | - | - | - | - |
| Severance | | | | - | | | | - | 0 | 0 | 0 | - |
| Non-recurring legal costs | | | | - | | | | - | - | - | - | - |
| Separation related costs | 1,357 | - | | 1,357 | 4,046 | | | 4,046 | 5,403 | - | - | 5,403 |
| Puerto Rico pre-launch costs | 5,199 | 8 | | 5,191 | 6,897 | (113) | | 7,010 | 12,096 | (105) | - | 12,201 |
| **Adjusted EBITDA** | $ 60,962 | $ 8,822 | $ (553) | $ 52,693 | $ 79,805 | $ (6,498) | $ 20,321 | $ 65,982 | $ 140,767 | $ 2,324 | $ 19,768 | $ 118,675 |

(1) These adjustments are incremental to financials issued in 10K. As these adjustments are already included in Form 10, they should also be added to APP Derived.

# 2007 Projected Financials

# Quarterly Analysis

($ mm)

| 2006 By Quarter | | | | | | 2007 By Quarter | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Q1A | Q2A | Q3A | Q4A | Total | | Q1A | Q2A | Q3E | Q4E | Total |
| | | | | | **Core Products** | | | | | |
| $113.6 | $120.0 | $108.9 | $136.9 | $479.5 | Revenue | $96.2 | $123.3 | $109.0 | $133.0 | $461.4 |
| *24%* | *25%* | *23%* | *29%* | *100%* | *% of core products sales* | *21%* | *27%* | *24%* | *29%* | *100%* |
| | | | | | **Acquired AA Products** | | | | | |
| | | $41.0 | $62.8 | $103.7 | Revenue | $44.1 | $36.1 | $44.2 | $44.2 | $168.5 |
| | | *40%* | *60%* | *100%* | *% of acquired AA sales* | *26%* | *21%* | *26%* | *26%* | *100%* |
| | | | | | **Total New APP** | | | | | |
| $113.6 | $120.0 | $149.9 | $199.7 | $583.2 | Revenue | $140.3 | $159.3 | $153.2 | $177.2 | $630.0 |
| *19%* | *21%* | *26%* | *34%* | *100%* | *% of total sales* | *22%* | *25%* | *24%* | *28%* | *100%* |
| $60.8 | $66.2 | $78.0 | $112.7 | $317.8 | Gross profit | $70.2 | $85.0 | $72.9 | $92.7 | $320.7 |
| *54%* | *55%* | *52%* | *56%* | *54%* | *% margin* | *50%* | *53%* | *48%* | *52%* | *51%* |
| $46.6 | $51.1 | $63.3 | $91.2 | $252.1 | Adjusted EBITDA | $52.7 | $65.9 | $53.0 | $78.9 | $250.4 |
| *41%* | *43%* | *42%* | *46%* | *43%* | *% margin* | *38%* | *41%* | *35%* | *45%* | *40%* |
| | | | | | Rolling LTM Adj. EBITDA | $258.2 | $273.0 | $262.7 | $250.4 | |
| | | | | | *% margin* | *42%* | *42%* | *40%* | *40%* | |

# Management Biographies

# Patrick Soon−Shiong, M.D.

- Served as Chief Executive Officer (CEO) of Abraxis BioScience since December 2005 and as Executive Chairman since November 2004
  - Previously served as the CEO and Chairman of the Board of Directors since inception in March 1996 to November 2004 and as President from July 2001 to November 2004
  - From inception to August 1997, Dr. Soon−Shiong also served as Chief Financial Officer (CFO). From June 1994 to April 2006, Dr. Soon−Shiong served as President, CFO and a Director of American BioScience, the then parent Company of Abraxis
  - Co-inventor of proprietary nanoparticle delivery technology upon which FDA-approved Abraxane is based
- Serves on two advisory boards for the RAND Corporation, the RAND Center for Asia Pacific Policy and the RAND Health Board of Advisors
- Served as CEO and Chairman of the Board of Directors of VivoRx, a biotechnology company, from June 1994 to June 1998
- Dr. Soon−Shiong is named as a co inventor on over 50 issued U.S. patents. He is a fellow of the American College of Surgeons and the Royal College of Physicians and Surgeons of Canada
- Dr. Soon−Shiong holds a degree in Medicine from the University of the Witwatersrand and a M.S.C. in Science from the University of British Columbia

# Thomas Silberg

- President of Abraxis Pharmaceutical Products (New APP) in September 2006, after joining Abraxis as Executive Vice President of Commercial Operations and Operational Excellence in May 2006. Mr. Silberg is responsible for all global operations for the New APP
- Most recently, Mr. Silberg served as Chief Operating Officer of Tercica, where his direct responsibilities included regulatory, clinical development, medical affairs, manufacturing, quality assurance / quality control, sales and marketing, business development, and project management
- Prior to his work at Tercica, Mr. Silberg was Executive Vice President and Chief Operating Officer of Ligand Pharmaceuticals after serving as Senior Vice President of Commercial Operations
- Mr. Silberg began his career in 1972 with Hoffmann-LaRoche, where, over a 27-year span he held a variety of positions and rose through the management ranks to Vice President of Business Operations
- Mr. Silberg earned a B.S. in marketing and advertising from the University of Minnesota

# Frank Harmon

- Chief Operating Officer and Executive Vice President of Abraxis Pharmaceutical Products (New APP) in September 2006, after having joined Abraxis in May 2006 as the Executive Vice President of Global Operations
- Mr. Harmon oversees global manufacturing operations; corporate quality assurance and quality control and the supply chain organizations as well as generic product development, regulatory affairs and operational excellence
- Prior to joining Abraxis, Mr. Harmon was the Senior Vice President of Manufacturing Operations for the Sterile Technologies Group at Cardinal Health where he was responsible for multiple sites throughout the United States and Puerto Rico
- Mr. Harmon has also served as Vice President of Biopharmaceutical Operations for Aventis Behring
- Mr. Harmon earned an MBA from St. Louis University and undergraduate B.S. degrees in biology and chemistry from Western Kentucky University

# Lisa Gopala

- Joined the company in July 2006 and was officially appointed Chief Financial Officer of Abraxis BioScience on August 10, 2006
- Ms. Gopala oversees and manages all financial aspects of the company, including accounting, strategic planning and analysis, treasury and tax
- Before joining Abraxis, Ms. Gopala served as Executive Vice President and Chief Financial Officer of Intermix Media, the former holding company of Myspace.com
- Prior to Intermix Media, Ms. Gopala was Vice President of Finance and Corporate Controller for 8 years at Ticketmaster, an IAC subsidiary
- Ms. Gopala also served at International Rectifier; LA Gear; and, PricewaterhouseCoopers/Arthur Andersen
- Ms. Gopala is a certified public accountant and holds a B.S. in business administration from Babson College in Wellesley, Massachusetts