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## Abraxis BioScience, Inc. Q3 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### **Operator**

: [Operators Instructions]. Your first question comes from the line of Elliot Wilbur with CIBC World Markets. Please proceed.

#### **Elliot Wilbur - CIBC World Markets**

: Thanks, good morning. First quick question for Lisa with respect to the segment data that's in the press release, is depreciation amortization included in the pre-tax segment operating income?

#### **Lisa Gopala - Executive Vice President and Chief Financial Officer**

Yes, in other; if you look at the table.

#### **Elliot Wilbur - CIBC World Markets**

Okay and I guess specifically for the APP segment, you have a number of 57,920,000 in terms of pre-tax segment operating income. I couldn't tell if depreciation amortization was embedded in that number or not?

#### **Lisa Gopala - Executive Vice President and Chief Financial Officer**

No it's in other.

#### **Patrick Soon-Shiong, M.D. - Chairman and Chief Executive Officer**

Elliot this is Patrick. I'm not sure if you listened to the response it's not embedded in that number and it's embedded in I think other, we are looking for the line which says other.

#### **Lisa Gopala - Executive Vice President and Chief Financial Officer**

If you see there is a note on the bottom of the table it'll walk you through what's in other.

#### **Elliot Wilbur - CIBC World Markets**

Okay, so it's... all right I'll find it later; it's not in that number. Okay and just... with respect to the revenue guidance for the generic segment now kind of expecting towards the low end of the range I mean is that just simply a function of the fact that it maybe took a little bit longer to get past the FDA issues than you originally expected or is that bit more to kind of fundamental changes in the overall market environment for injectable generics?

**Patrick Soon-Shiong, M.D. - Chairman and Chief Executive Officer**

Let me take that question, and then Tom can add anything if he wants to add to that. You know I think we got hit very much in the first and second quarter with the raw material issues which actually carried all the way through unfortunately through the third quarter on one of the anti-infective raw materials which we've now resolved by actually making sure we have not only raw material supply but also finished dosage on terms of supply from two other sites, one in Brazil and one in Italy. So and those agreements are now just been executed, so I think moving forward we've addressed that issue. The other issue that hit us unexpectedly was inability of supply from the AstraZeneca products in the first quarter, second quarter and even trickled into the third quarter. AstraZeneca has graciously worked very hard to rectify that and has increased the number of lines that they run now. I think we surprised ourselves and AstraZeneca with regard to robustness of the pull through of those anesthetic products. So you know it's very hard to climb out of those first three quarter events and then we also... that and I think we made the right decision.

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