



Message from Robert Taketomo
Pharm.D, MBA
President & CEO



December 2005

It brings me great pleasure to provide you with an end of the year update summarizing Ventegra's activities. As you know, we have been singularly focused for the past year on one objective – creating value for our clients and Strategic Partners while guided by our sincere commitment to delivering on our promises with truth and integrity.

Please take a moment to review some of our core successes and our roadmap for the future. Do let me know if you have any questions, suggestions, or value-added insights that will help Ventegra exceed the expectations of our Strategic Partners and clients. Please feel free to email me at bob@ventegra.net, or call me at (858) 551-8111, Ext. 109.

Since Ventegra began operating in January, 2005, we have continued to increase our Ventegra team members to include pharmacists, business development, marketing, and public relations professionals to meet our growing business needs.

As we approach the New Year, it is my earnest desire to help lead Ventegra to a brand new industry standard. This standard will create a new system to bring about actionable change in the way pharmacy benefits are delivered. This new channel should be fully transparent and more integrated with greater efficiencies, and offer better quality of care.

Ventegra's Milestones 2005

- **January:** Ventegra launch, opens offices in La Jolla, CA
- **April:** Ventegra website goes live, www.ventegra.NET
- **April:** Introduction of Ventegra to Pharmaceutical Industry at the Academy of Managed Care Pharmacy 17th Annual Meeting
- **April – August:** Established alliances with Mail and Claims Processing service
- **May:** Ventegra Injectable Program "VIP"

- **June:** Launch of Ventegra's Master Services Agreement to Pharmacy Industry
- **September:** Signed Letters of Intent with Strategic Partners
- **November: Heralding a month of firsts**
 - First Ventegra press release distributed nationally
 - First client contract signed
 - First pharma contract signed
- **December:** Formulary developed and ready for public adoption for January 2006 release

Products Update

We launched Ventegra in January 2005 with four basic products and services:

- **Contracting Services**
- **Robo-Rebate System**
- **Acquisition Cost-Based Mail Distribution**
- **Pharmacy Benefit and Administration Services**

These core products and services were joined in May 2005 by the Ventegra **Injectable Program**.

To date, these remain Ventegra's signature products, with the **Injectable Program** drawing significant attention from medical group and health plan clients. Medical groups and health plans have embraced this program because it is the first solution they have found to manage the ongoing dilemma of administering complex injectable benefit designs, utilization management, and having true transparency around injectable drug costs with no hidden fees or other costs. The idea of controlling their own "virtual Specialty Pharmacy" has proven to be a very appealing concept.

By year's end, Ventegra anticipates offering its own comprehensive, consumer-based drug formulary, which will be available on the Ventegra website by March 2006, www.ventegra.NET.

Client Activity

With four Letters of Intent already signed, Ventegra is well poised to start off the New Year with approximately 1.2 million covered lives, impacting consumers nationwide. During the first three months of 2006, Ventegra plans to expand its **Injectable Program**, concentrating on offering the program to "risk bearing" medical groups in California and health plans outside of California.

Media Activity

- Los Angeles Business Journal, Profile on Ventegra, October 2005, Robert Taketomo
- California Broker Magazine, "Five Hot Pharmacy Benefit Trends for 2006," publish date February 2006, Robert Taketomo

- Inside Consumer-Driven Healthcare, "Health Savings Accounts and Pharmaceutical Coverage Trends," publish date December 8, 2005, Robert Taketomo
- *Drug Benefit News*, "Ventegra: A New Way of Doing Business," publish date December 9, 2005, Robert Taketomo.
- Press release: "Pharmacy Industry Expert Dr. Taketomo Launches Ventegra(SM) as an Unparalleled Solution to Rising Pharmaceutical Costs; Signs Four Letters of Intent, Representing Annual Rx Spend of \$250 Million-Plus," November 3, 2005. Ventegra's first press release was published on the following Internet news sites:
 Business Wire, Yahoo! Finance, ICMA-RC VantageLink, Finance Canada, CBS MarketWatch, Morningstar, Forbes, Biospace, DallasNews, Delta Dental Insurance, FML eXchange, Managed Care Online, MomMD, and OpticalKeyhole.com

Industry Presentations

- CAPG: Ventegra Injectable Program (VIP), August 19, 2005
- MCOL Webinar: Managing Healthcare Costs 2005, Nov. 1-10, 2005: "Managing Healthcare Costs by Adopting New Business Models for Managing Pharmacy Benefits," Robert Taketomo. The presentation is available on Ventegra's website at www.ventegra.net
- MCOL Webinar: Future Trends 2006, January 2006, "Five Hot Pharmacy Benefit Trends for 2006," Robert Taketomo. This presentation will be available as a podcast on Ventegra's website by mid-January 2006