

## JANUARY – JUNE 2010 RESULTS

June 29th, 2010

### P&L Account

<i>Thousands of euros</i>	Jun-10	Jun-09	Var.
Net sales	105,955	102,399	3.5%
Other operating income	3,401	2,484	36.9%
Cost of sales and other operating expenses	89,198	85,184	4.7%
Amortization and depreciation	4,458	4,195	6.3%
EBIT	15,700	15,504	1.3%
Financial Results	(2,062)	(3,476)	40.7%
<b>Profit before tax</b>	<b>13,638</b>	<b>12,028</b>	<b>13.4%</b>
<b>Income tax</b>	<b>(946)</b>	<b>430</b>	<b>319.5</b>
<b>Net profit</b>	<b>12,692</b>	<b>12,458</b>	<b>1.9%</b>

#### ***Improvement in EBIT, Profit before tax and Net profit.***

Public Administrations urge the pharmaceutical industry to maintain its leadership in productivity, investment, research, employment and quality. However, in return, the industry only receives price and margin cuts, sales discounts, fees...in short, a long list of measures with the only aim of reducing public deficit, when the pharmaceutical expense is already controlled on the offering side (average price per prescription reduced and controlled) and is only the demand that grows (uncontrolled increase in number of prescriptions).

We still profit from our strategy which has already been mentioned in previous occasions: diversification, internationalization, licences and research. This allows us to contain the drop that the industry is suffering.

Improvement of operating margins and contention of financial expenses takes us to **an increase of over 13% in Profit before tax.** A higher tax burden prevents from transferring entirely this excellent increase to the bottom line of the P&L account.

For the second semester we expect to continue with similar margins, as restrictions imposed by the Government will be balanced with revenues expected from the last licences, exportations and expense reduction measures.