

JANUARY - JUNE 2013 RESULTS

<i>Thousands of €</i>	06/2013	06/2012	% Var.
Total revenue	103,594	97,272	
Ministry of Health discounts	3,418	3,917	
Commercial costs	28,612	30,969	
Other operating expenses	51,711	47,754	
Amortization and depreciation	5,796	4,248	
EBIT	14,057	10,384	+ 35.4%
Financial Results	(687)	(1,245)	
Profit before tax	13,370	9,139	+ 46.3%
Income tax	(667)	177	
Net profit	12,703	9,316	+ 36.4 %

BILASTINE AND MUCH MORE

A new push of Bilastine to the P&L Account allows us to achieve our estimate for 2013.

And it comes along with a positive evolution of the traditional businesses: new medicine licences, exportations and animal nutrition (Ingaso Farm).

Prospects for the second semester are optimistic and therefore, estimations that anticipated significant growths which add to those obtained in 2012, will be, presumably, confirmed.

In a recessive economic environment and with a very restrictive drug market, we have managed to grow **6.5% in revenues** which have propelled the P&L Account at all levels, with positive variations over 35% in all lines: **35.4% in EBIT, 46.3% in Profit before tax and 36.4% in Net Profit**, this last one being affected by a much higher Income tax than in previous periods.

This growth will, presumably, not end in the present year due to the appropriate diversification planned years ago in the most relevant areas, which will propel future results, basically based on the geographical extension of Bilastine but with a splendid recurrent support in new medicine licences, internationalization and animal nutrition.

We would like to highlight that our antihistaminic, Bilastine, has yet markets to licence, many countries to market and new indications to develop. There are 119 countries licenced, but there are still some relevant markets left, some of them with very advanced negotiations. Commercialization extends to only 40 countries and will continue in the short term in relevant markets. The development of new presentations makes progress in pediatric and ophthalmic and will continue with other versions that will allow us to extend the prescription and licence possibilities of our molecule.

These milestones will arrive while we are working on the clinical and regulatory phase in Japan, the world's first market, where we estimate to achieve a significant market share. Clinical development in this country progresses at a good rhythm, better than initially predicted, so it will allow us to advance commercial launch. While this moment arrives, we will periodically receive the milestones set in the agreement.

Internationalization does not end here as our medicines and raw materials are present in many countries. The Group has subsidiaries in Chile, Colombia and Ecuador, collaborations in other countries and strategic agreements in Venezuela and Mexico. Other countries will progressively arrive to provide income and profit.

Financial issues

2012 already brought a significant improvement in solvency and indebtedness ratios, improvement that consolidates in this first semester and will continue in the following months. **Our net bank debt**, which was 2,46 times EBITDA at the end of 2011 and 1,52 times EBITDA by the end of 2012, **has reduced to 1,4 times the half-year EBITDA**, and will continue to improve, standing quite below 1 time EBITDA by the end of the year.

We highlight the improvement of the financial result, due to the drop of interest rates, which adds to a lower use of our bank financing and to a correct management of our financial assets.

Shareholder remuneration.

This first semester has been very active for the shareholder. We started the year paying the first scrip dividend, we continued with the free share capital increase and we paid the second scrip dividend at the end of June. The addition of these payments has been a 83% higher than in the previous year for those who chose to receive cash.

Due to the clear success of these two scrip dividends, the last Shareholders´ meeting agreed to continue with this remuneration system, that will be carried out in the following months, allowing investors to choose between receiving cash or keeping their position subscribing new shares, with tax advantages and financial benefits for the Group. Two new scrip dividends and a free share capital increase are the approved operations.

24 July 2013