

JANUARY - MARCH 2014 RESULTS

<i>Thousands of €</i>	03/2014	03/2013
Net sales	48,757	45,983
Other operating income	37	4,790
Homogeneous other operating income	37	540
Ministry of Health discounts	1,502	1,875
Commercial costs	13,426	14,024
Other operating expenses	24,245	24,636
EBITDA	9,621	10,238
Homogeneous EBITDA	9,621	5,988
Amortization and depreciation	2,338	1,939
EBIT	7,283	8,299
Homogeneous EBIT	7,283	4,049
Financial results	(201)	(24)
Profit before tax	7,082	8,275
Homogeneous profit before tax	7,082	4,025
Income Tax	(1,376)	(430)
Net profit	5,706	7,845
Homogeneous net profit	5,706	4,071

Positive evolution while expecting to fulfill Bilastine´s calendar

The positive evolution of the P&L Account is confirmed yet for another quarter. In the previous table, we have added the comparison for the main items, having homogenized figures of both exercises. In 2013 there was a significant contribution from Bilastine´s down-payments. In the present exercise, this income will be received along the next months, therefore, the P&L Account, without this adjustment, would not be representative of the company´s real evolution.

Net sales increase in all areas, reaching a consolidated growth of 6% and, particularly, in the main bets of our strategic plan, animal nutrition, medicines, internationalization and Bilastine.

All this, accompanied by a strong restraint of expenses, has allowed the Group to grow with strength in all lines of margins: EBITDA, EBIT, Profit before tax and Net Profit.

As we have already anticipated in previous communications, 2014 will mean another important boost to the Profit, as a continuation of those achieved during the last two accounting periods.

Once the P&L Account includes the predicted income from Bilastine´s down-payments and milestones for this year, the Group´s Net profit will grow in percentages close to two digits, consolidating the good path of the last three years.

Bilastine´s regulatory process continues in many countries, as well as clinical phases in other ones and there are still new markets to license. These milestones, once achieved, will contribute with more sales and income to the recent but intense history of Bilastine. We would like to emphasize that this product is already commercialized in 48 countries and that we have license agreements for 126 countries, in which the product is in different stages of registration.

This self developed molecule, that is being very well received by the markets, will allow us to increase profits significantly in the next years by means of milestones and sales of finished product and raw material with excellent margins. All of this makes Bilastine a success without precedent in the Group.

Shareholder remuneration and share evolution

Two of the operations approved in the last General Meeting have taken place already. On one hand, the first scrip dividend, of the two approved in this meeting, that was paid on January 15th and on the other hand, the free share capital increase.

The scrip dividend was a new success, with more than 94% of the shareholders choosing to subscribe new shares. For those who chose to receive cash, the amount was a 33.3% higher than the previous year.

The second operation has meant the issue of one new share for every 25 old ones. The subscription period finished by mid April and the listing of the shares is expected for the following days.

The second scrip dividend remains pending for the following months.

Relevant financial aspects and Results

We can confirm that during this first quarter of 2014, the reduction of bank debt has continued, which was one of our short term targets, and has, therefore, reduced significantly financial costs.

As we have already mentioned, once profits of 2013 have been corrected by the income received from Bilastine then (income that is expected on the following months in 2014), the growth percentages are very relevant, having reached 40.2% in the homogeneous Net profit.

Given the favorable situation of debt and the recurrent and increasing revenues from Bilastine, the Group is beginning to value investments in different opportunities and markets, in order to turn the expected cash-flow for the next years in a permanent source of resources.

7 May 2014