

Results Q1 2012: Solid start to 2012, reiterate guidance

## Almirall grows internationally

Barcelona, 8<sup>h</sup> May 2012

- **Yearly financial guidance reiterated**
- **Sales ahead of guidance**
- **International sales represent 57%**
- **Solid balance and free cash flow generation**
- **€0.18 \* scrip dividend approved at the AGM**
- **Regulatory pathway for Acridinium and Linaclotide on track**
- **Intense calendar of newsflow ahead**

### Financial highlights (€rounded million)

|                       | Q1 2012 | Q1 2011 | Variation |
|-----------------------|---------|---------|-----------|
| Net Sales             | 200.2   | 212.7   | (5.9%)    |
| EBITDA                | 31.3    | 53.3    | (41.3%)   |
| Normalized Net income | 18.3    | 30.6    | (40.2%)   |

**Eduardo Sanchiz, Chief Executive Officer, commented:**

*"Almirall has achieved its financial targets in the first quarter of 2012. International sales are continuing to grow and now account for 57% of the total. Despite the challenging environment, our financial guidance for the year is confirmed.*

*The regulatory process of our key growth platforms, acridinium and linaclotide, are on track and we expect feedback in the forthcoming months.*

*As we get ready to be fully operational by launch time we are sizing-up capabilities in key EU geographies by building-up operational resources with a step-wise approach linked to regulatory triggers.*

*Recent launches are evolving satisfactorily and contributing to rejuvenating our portfolio. The European roll-out of Sativex continues and it has just received a recommendation for approval in ten additional countries*

*We are facing the times to come with prudent confidence and excitement."*

\*Rounded figure

**Barcelona, 8<sup>th</sup> May 2012.-** Almirall, the international pharmaceutical company based in Barcelona, announced results for the first quarter 2012.

### **Almirall grows internationally and guidance 2012 is confirmed**

**Net Sales** stood at € 200.2 MM (-5.9% vs. 2011) and were ahead of guidance in spite of the Spanish reforms and generic competition for some products. International sales continue to grow and now account for 57% of total sales (vs. 44% in Q1 2011).

**Gross Profit** reached € 124.0 MM and represents 61.9% in line with the same period of 2011. This is mainly due to Almirall's international expansion, based on proprietary products.

**Other Income** was € 20.7 MM (-12.7%) and is expected to improve in the next quarters of the year triggered by regulatory events associated to aclidinium in the US and EU.

**R&D** expenses were temporarily up to € 38.0 MM due to the phasing of clinical studies but it is expected that at the end of the year these will be very similar to 2011 figures in absolute terms.

As anticipated, **SG&A** (Selling, general and administrative) expenses grew 9.2% to € 91.8 MM, on the back of pre-launch activities and the step-wise deployment of commercial resources.

**EBIT** and **EBITDA** were € 14.9 MM (-60.7%) and € 31.3 MM (-41.3%), respectively.

**Normalized Net Income** was € 18.3 MM (-40.2%), which is temporarily below guidance due to aclidinium calendar events.

**Free Cash Flow** generated during the period remained at healthy levels at € 27.2 MM and investing activities were lower than last year. Worthy of mention is that debt repayment reached € 59.4 MM and a positive net cash position of nearly € 11 MM has been achieved.

**Equity** shows a solid balance sheet and amounts to 60.5% of Total Assets.

The Annual General Meeting (May 4<sup>th</sup>) approved a **scrip dividend** of € 0.18 (rounded figure).

Results were in line with expectations, with solid financial fundamentals and steady cash flow generation. Financial **guidance for 2012 is confirmed**.

### **Pipeline and regulatory update**

Almirall now has the most promising pipeline in its history and significant progress was made in 2011 in its two main projects: Aclidinium for chronic obstructive pulmonary disease (COPD) and Linaclotide for irritable bowel syndrome with constipation (IBS-C).

The Aclidinium monotherapy administered through the Almirall inhaler Genuair<sup>®</sup>, an easy to use and innovative device, was filed for registration in the US and EU in 2011 to treat moderate to severe COPD. Almirall expects a regulatory response during 2012.

Linaclotide is a unique opportunity for IBS-C and responds to a significant unmet need for millions of patients, mostly women. It was filed for registration in Europe in 2011 and a regulatory response is expected during 2012.

Almirall also has the combination of **aclidinium + formoterol** BID<sup>1</sup> for COPD in phase III among its respiratory franchise while a proprietary derma compound **LAS41007** for non-melanoma skin cancer and Sativex® in oncological pain are also both undergoing phase III .

### Platforms of growth

Almirall's strategic priority is to continue its internationalisation process, increasing its critical mass where it already has affiliates, capitalising on its new products in new areas and being supported by partners when necessary.

Latest launches (*Actikerall, Efficib, Sativex, Silodyx, Tesavel* and *Toctino*) are increasing more than 50% vs the same period of last year and the derma franchise is also showing excellent growth (10%).

**Sativex**® has just received recommendation for approval in ten additional European countries through the Mutual Recognition Procedure, apart from Spain, Germany and Denmark where the medicine is already available through Almirall. The pharma company holds marketing rights in Europe (except the UK) and Mexico.

New products have also recently been incorporated in Spain (the oral anti-inflammatory Roflumilast and the anticoagulant Rivaroxaban) and in Italy (the antidepressant Escitalopram).

### Financial Calendar 2012 –

30 July 2012

15 November 2012

H1 Results

Q3 Results

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#### Notes:

<sup>1</sup> BID: twice daily

#### Disclaimer

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#### About Almirall

Almirall is an international pharmaceutical company based on innovation and committed to health. Headquartered in Barcelona, it researches, develops, manufactures and commercialises its own R&D and licensed drugs with the aim of improving people's health and wellbeing. Almirall focuses its research resources on respiratory, gastrointestinal, dermatology and pain. Almirall's products are currently present in over 70 countries in the five continents. It has direct presence in Europe and Latin America through 12 affiliates.

For further information please visit the website at: [www.almirall.com](http://www.almirall.com)

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