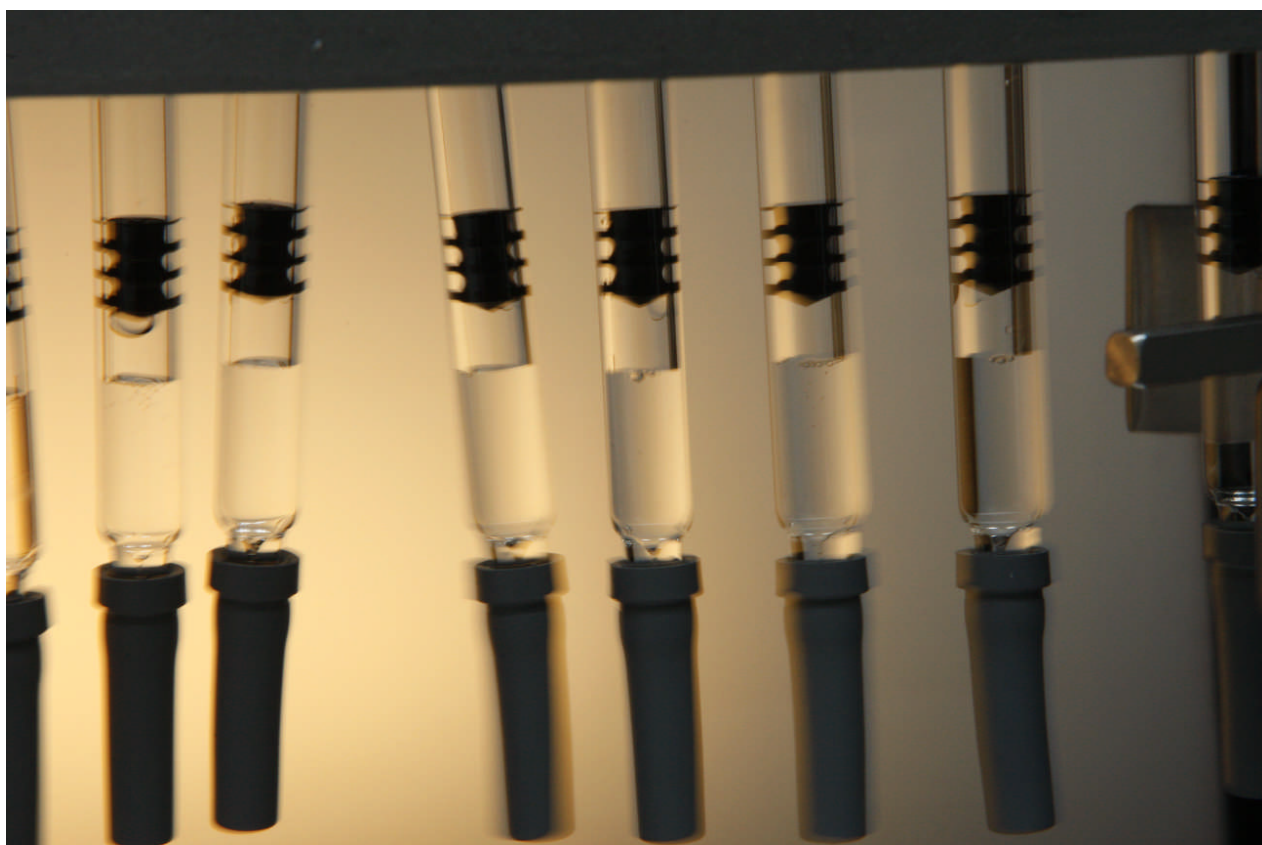




First Half 2013 Results

31 July 2013



Laboratorios Farmacéuticos Rovi, S.A. and Subsidiaries
Investor Relations



ROVI – First Half 2013 Results

ROVI reports an operating revenue growth of 5% and an EBITDA growth of 15%

- **Operating revenue increased by 5% to 109.6 million euros in the six-month period ended 30 June 2013, driven by the strength of the specialty pharmaceutical business, where sales rose 5%, despite the drop of 15% experienced by the Spanish pharmaceutical market in the six-month period ended 30 June 2013 compared to the same period of the previous year, and by the toll manufacturing business, which grew by 3%.**
- **ROVI expects to grow operating revenue from mid to high single digit for 2013, despite the impact of the latest package of measures and the Spanish pharmaceutical market decrease of 12% expected for 2013 according to Farmaindustria¹, the Spanish Pharmaceutical Association.**
- **Sales of Bemiparin increased by 8% to 33.9 million euros and sales of Corlantor, from Servier, grew by 25% in the six-month period ended 30 June 2013.**
- **In January 2011, ROVI started the marketing of Absorcol®, whose active principle is ezetimibe, and Vytorin®, which combines two active principles, ezetimibe and simvastatin, the first of the five licenses of Merck Sharp & Dohme (MSD), in Spain. Sales of Absorcol® and Vytorin® increased by 41% to 8.4 million euros in the first half of 2013.**
- **EBITDA increased by 15% to 18.4 million euros in the six-month period ended 30 June 2013, compared to the same period of the previous year, reflecting a 1.5 percentage points rise in the EBITDA margin to 16.8% in the first half of 2013 up from 15.3% in the same period of the previous year.**
- **Net profit increased by 7% to 13.8 million euros in the six-month period ended 30 June 2013, compared to the same period of the previous year.**



Madrid (Spain), 31 July 2013, 8:00 AM CET - ROVI released today its financial results for the six months ending on 30 June 2013.

Juan López-Belmonte Encina, Chief Executive Officer of ROVI, said that *"in the first half of 2013, we reached a 5% operating revenue growth driven by the strength of two of our pillars of growth, our specialty pharmaceutical area and our toll manufacturing area. We achieved this significant operating revenue growth despite the drop of 15% experienced by the Spanish pharmaceutical market in the six-month period ended 30 June 2013. In addition, according to Farmaindustria¹, the Spanish Pharmaceutical Association, the Spanish pharmaceutical market will fall 12% in 2013. In spite of the difficult situation that the pharmaceutical industry is going through, we forecast to continue growing.*

Once again Bemiparin led the growth with a 8% increase in sales. Bemiparin sales in Spain rose 11% and outside Spain grew by 2%. We expect the continued internationalisation of our flagship product to be one of the Company's growth engines in the medium term. Furthermore, the agreement with MSD allows us to strengthen our toll manufacturing area, as we have already reflected in the results for the last three years, as well as our specialty pharmaceutical area, as we showed with the launch, in January 2011, of Vytorin and Absorcol, the first of the five licenses from MSD that will contribute to our growth in the coming years. This launch required a significant investment effort in human capital in 2011 in order to address new prescribers. We expect this effort to result in a significant sales growth and operating leverage in the coming years. In addition, the MSD agreement will allow us to launch four additional new products in the next 7 years, underpinning our belief in the sustainability of the long term outlook for the company. ROVI's R&D pipeline continues to hold strong potential to drive the company's growth in future years. We are very excited with the potential of the ISM technology, especially with the Risperidone ISM® project development, whose phase II trial is planned to start by the first half of 2014. This gives us the confidence and security to continue, not only with our development of Risperidone ISM®, but also with the development of other candidates with which we are already in an advanced pre-clinical phase".

1. http://prensa.farmaindustria.es/Prensa_Farma/NotasDePrensa/FARMA_120174?idDoc=FARMA_120174



1. Financial highlights

<i>€ million</i>	H1 2013	H1 2012	Growth	% Growth
Operating revenue	109.6	104.9	4.7	5%
Other income	0.7	0.8	-0.1	-11%
Total revenue	110.3	105.6	4.7	4%
Raw materials used and changes in inventories	-42.5	-40.1	-2.4	6%
Gross profit	67.8	65.5	2.3	3%
<i>% margin</i>	<i>61.8%</i>	<i>62.4%</i>		-0.6pp
R&D expenses	-5.2	-4.6	-0.6	12%
Other SG&A	-44.1	-44.8	0.7	-2%
EBITDA	18.4	16.0	2.4	15%
<i>% margin</i>	<i>16.8%</i>	<i>15.3%</i>		1.5pp
EBIT	15.2	13.6	1.6	12%
<i>% margin</i>	<i>13.8%</i>	<i>13.0%</i>		0.9pp
Net profit	13.8	13.0	0.9	7%

Note: certain numerical figures included in this document have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.

The consolidated financial statements of Grupo ROVI for the first half of 2013 and the comparative information for 2012 (balance sheet) and for the first half of 2012 (consolidated income statement and cash flow statement) are attached to this report (see Appendix 1).

2. Performance of the Group

Operating revenue increased by 5% to 109.6 million euros in the six-month period ended 30 June 2013, driven by the strength of the specialty pharmaceutical business, where sales rose 5%, despite the drop of 15% experienced by the Spanish pharmaceutical market in the six-month period ended 30 June 2013 compared to the same period of the previous year, and by the toll manufacturing business, which grew by 3%.

Sales of **prescription-based pharmaceutical products** rose 6% to 63.5 million euros in the six-month period ended 30 June 2013. In September 2012, ROVI and UCB reached an agreement under which they ended their commercial relationship with regards to Cimzia. Since 15th of June 2010, Cimzia had been jointly co-promoted in Spain by ROVI and UCB. Excluding the impact of Cimzia co-promotion in the first half of 2012, sales of prescription-based pharmaceutical products increased by 7% in the first half of 2013.



ROVI's low molecular weight heparin (LMWH), **Bemiparin**, maintained a growth rate, with sales up 8% to 33.9 million euros. Sales of Bemiparin in Spain (**Hibor®**) increased by 11% to 21.4 million euros, while international sales rose 2% to 12.6 million euros in the first half of 2013 supported by the increased presence of Bemiparin, through strategic alliances, in countries where it was already present, and by the launch of the product in three new countries, South Korea, Lebanon and United Arab Emirates, during the first half of 2013. This moderate growth of the international sales was specific to the first half of 2013 and a more accelerated growth is expected for 2013.

Sales of **Vytorin®** and **Absorcol®**, the first of the five licenses of MSD, launched in January 2011, increased by 41% to 8.4 million euros in the six-month period ended 30 June 2013.

Sales of **Corlantor®**, a specialty product for stable angina and chronic heart failure from Laboratoires Servier, rose 25% to 5.6 million euros in the six-month period ended 30 June 2013.

Sales of **Thymanax®**, an innovative antidepressant from Laboratoires Servier, launched in March 2010 and for which ROVI has a co-marketing agreement covering Spain, decreased by 6% to 5.7 million euros in the six-month period ended 30 June 2013 impacted by the latest measures package introduced by the Spanish Government in April 2012 which is explained below.

Sales of **Exxiv®**, a selective COX-2 inhibitor from Merck Sharp & Dohme (MSD), decreased by 7% to 3.6 million euros in the six-month period ended 30 June 2013, mainly due to a fall of the COX-2 market.

Sales of **Osseor®**, a specialty product for the treatment of postmenopausal osteoporosis from Laboratoires Servier, decreased by 29% to 2.4 million euros in the first half of 2013.

On 20th of April of 2012, the Spanish government announced a new package of measures in order to achieve savings of more than 7 billion euros in healthcare expenditure. These new measures were published on the official state gazette on the 24th of April (see <http://www.boe.es/boe/dias/2012/04/24/pdfs/BOE-A-2012-5403.pdf>).

Among these new measures, (i) the exclusion of some drugs from reimbursement and (ii) the pharmaceutical copayment, became more relevant. The list of drugs excluded from reimbursement was published on the 29th of June (see <http://www.msssi.gob.es/profesionales/farmacia/pdf/ProyectoResolucionExclusion.pdf>), without any material impact for the ROVI product portfolio, and the pharmaceutical copayment was effective from the 1st of July. The introduction of the latest package of measures, especially of the pharmaceutical copayment, meant a monthly pharmaceutical expenditure drop of above 20% on average



from July to December 2012 and the number of prescriptions was reduced monthly by 15% on average in the same period. This negative trend continued in the first half of 2013; the Spanish pharmaceutical market decreased by 15% in the six-month period ended 30 June 2013 and the number of prescriptions fell by 14% in the same period. In conclusion, the pharmaceutical expenditure and the number of prescriptions decreased by 18% and 15% respectively from the introduction of the latest package measure to 30 June 2013. In addition, according to Farmaindustria¹, the Spanish Pharmaceutical Association, the Spanish pharmaceutical market will fall 12% in 2013, in line with 2012. Despite the difficult situation that the pharmaceutical industry is going through, ROVI forecasts to continue growing.

Sales of **contrast imaging agents** and other hospital products increased by 8% to 11.9 million euros in the first half of 2013.

Sales of **over-the-counter pharmaceutical products** declined by 13% to 3.1 million euros in the six-month period ended 30 June 2013 compared to the same period of the previous year. This was mainly as consequence of the reduction of consumption in the current Spanish economic environment.

Toll manufacturing sales increased by 3% to 30.4 million euros in the six-month period ended 30 June 2013 compared to the same period of the previous year, mainly as a result of the contribution of the injectables plant whose revenue increased by 55% to 8.6 million euros in the six-month period ended 30 June 2013. Frosst Ibérica plant revenue amounted to 21.7 million euros in the first half of 2013 compared to 24.0 million euros in the first half of 2012 because of a lower production for Merck Sharp and Dohme (MSD).

Sales outside Spain decreased by 3% to 41.8 million euros in the six-month period ended 30 June 2013 compared with the same period of the previous year mainly due to the increase of production for national clients in the Frosst Ibérica facility. Sales outside Spain represented 38% of operating revenue in the first half of 2013 compared to 41% in the first half of 2012.

Gross profit increased by 3% to 67.8 million euros in the six-month period ended 30 June 2013, reflecting a decrease in the gross margin to 61.8% in the first half of 2013, from 62.4% in the first half of 2012, mainly as a result of:

- the increase of the production from other clients in the Frosst Ibérica facility which contributed lower margins than Merck Sharp and Dohme (MSD);
- the price reduction of the contrast imaging agents and other hospital products that did not impede the achievement of higher sales as consequence of higher volume sold; and
- a change in the guidelines for the assignment of indirect costs to the stock.

1. http://prensa.farmaindustria.es/Prensa_Farma/NotasDePrensa/FARMA_120174?idDoc=FARMA_120174



The decrease of the Bemiparin raw material cost impacted positively in the first half of 2013 gross margin. In the six-month period ended 30 June 2013, ROVI continued to buy Bemiparin raw material for around 35 euros per million of international units and it expects this stable trend to continue in 2013. ROVI expects to maintain 2013 gross margin in line with the 2012 figure, mainly supported by the Bemiparin raw material cost decrease and a higher contribution of the injectables toll manufacturing business.

Research and development expenses increased by 12% to 5.2 million euros in the six-month period ended 30 June 2013, reflecting ROVI investments in products that are under development.

Selling, general and administrative expenses decreased by 2% to 44.1 million euros in the first half of 2013, compared to the same period of the previous year, mainly as a result of (i) the reduction of the ROVI sales team as consequence of the end of the commercial relationship with UCB regarding Cimzia in September 2012 and (ii) ROVI's strict cost control.

EBITDA increased by 15% to 18.4 million euros in the six-month period ended 30 June 2013, compared to the same period of the previous year, reflecting a 1.5 percentage points rise in the EBITDA margin to 16.8% in the first half of 2013 up from 15.3% in the same period of the previous year.

Depreciation and amortisation expenses increased by 33% in the six-month period ended 30 June 2013, compared to the same period of the previous year, mainly as a result of the new property plant and equipment and intangible assets purchases made during the last twelve months (see section 3.1).

EBIT increased by 12% to 15.2 million euros in the six-month period ended 30 June 2013, compared to the same period of the previous year, reflecting a 0.9 percentage points rise in the EBIT margin to 13.8% in the first half of 2013 up from 13.0% in the same period of the previous year.

Financial expense decreased by 28% in the first half of 2013, compared to the same period of the previous year. The financial expense line mainly includes the implicit interests registered as a result of the recognition at fair value of the reimbursable loans, at zero interest rate, granted by Public Administration.

The **financial income** line decreased by 77% in the six-month period ended 30 June 2013, compared to the same period of the previous year, mainly as a result of lower returns on financial investments.



The **effective tax rate** was 4.8% in the first half of 2013 compared with 2.7% in the first half of 2012. This favourable effective tax rate is due to the deduction of existing research and development expenses and the capitalisation of negative tax bases resulting from the Frosst Ibérica, S.A. integration. Frosst Ibérica negative tax bases amounted to 62.8 million euros as of 31 December 2012, of which 5.3 million euros were used in the 2012 income tax and 4.2 million euros to be used in the first half of 2013.

On 13th July 2012, the Spanish Government approved by law a package of tax measures (<http://www.boe.es/boe/dias/2012/07/14/pdfs/BOE-A-2012-9364.pdf>) in order to guarantee budgetary stability and to promote competitiveness. Among these tax measures, the limitation of the negative tax bases to be offset, which was reduced to 25% from 50%, and the tax rate increase for the payment on account, from 27% to 29% for ROVI, as well as the minimum disbursement for this payment, from 8% to 12%, affect ROVI income tax payable rate.

On the 27th December 2012, the Spanish Government approved by law a new package of tax measures (<http://www.boe.es/boe/dias/2012/12/28/pdfs/BOE-A-2012-15650.pdf>) in order to consolidate public finance and to promote economic activity. Among these tax measures, the limitation of up to 70% of the deduction in the tax base of amortization, both for tangible and intangible assets related to the periods 2013 and 2014 significantly affects ROVI income statement and income tax payable rate.

As a consequence of the signature, on 15 February 2013, of the Conformity Assessment arising from the corporate income tax inspection of ROVI group for the periods 2007 and 2008, the Group recorded a corporate income tax expense of 109 thousand euros in the first half of 2013. On the same date, the VAT tax inspection of ROVI group for the same periods ended without any payments to be assumed.

Net profit increased by 7% to 13.8 million euros in the six-month period ended 30 June 2013, compared to the same period of the previous year.

Javier López-Belmonte Encina, Chief Financial Officer of ROVI, said that, *"we are satisfied with the results for the first half of 2013. Operating revenue increased by 5% from the previous year. This was in line with expectations despite the difficulties in the economic and regulatory environments. We attribute this out-performance to the strength of our leading products, which continue to gain share in their various market segments, and to the contribution of the toll manufacturing business. EBITDA margin increased in the first half of 2013 mainly as a result of the operating leverage contributed by our last product launches. We expect to keep EBITDA margin expansion in 2013. It is very gratifying to witness the growth in the strength of our balance sheet and our excellent capacity to generate cash, which allow us to finance organic growth through the launch of new products, such as Vytorin and Absorcol, and to be*



in a strong position to benefit in the current operating environment as we will pay attention to potential opportunities to expand our sales base and better the utilisation of our asset base”.

3. Balance Sheet items

3.1 Capital expenditure

ROVI invested 6.8 million euros in the six-month period ended 30 June 2013, compared to 4.2 million euros in the same period of the previous year. Of this amount:

- 2.5 million euros corresponds to investment capex related to the injectables facility mainly due to the acquisition of two automatic inspection machines and to the preparation of the plant for the development of the ISM project, versus 0.8 million euros invested in the first half of 2012;
- 0.3 million euros corresponds to investment capex related to the Alcalá (Frosst Ibérica) facility, versus 0.7 million euros invested in the first half of 2012; and
- 1.3 million euros corresponds to expenditure on maintenance, versus 1.6 million euros in the first half of 2012.
- 1.1 million euros were invested in the Granada facility in the first half of 2012.
- The rest of the capex invested in the first half of 2013 corresponds to the exercise of the Purchase Option over Rhodogil (see section 6.1).

ROVI expects capital expenditure for 2013 to be in line with the 2012 figure mainly as a result of (i) the preparation of the injectables facility for the development of the ISM study Phase II and (ii) the exercise of the Purchase Option over Rhodogil.

3.2 Debt

As of 30 June 2013, ROVI had total debt of 32.1 million euros. Debt with public administration represented, as of 30 June 2013, 82% of total debt and 94% of total debt is 0% interest rate debt.

<i>In thousand euros</i>	30 June 13	31 December 12
Loans from banks	1,858	2,813
Debt with public administration	26,201	27,505
Debt from purchase of shares	3,995	8,072
Total	32,054	38,390

The debt from purchase of shares registered as of 30 June 2013 corresponds to the outstanding payment related to the Frosst Ibérica acquisition, which includes the payment of 0.7 million euros for the Frosst Ibérica shares acquisition (the first four payments of 0.7



million euros each one were executed on 31 March 2010, 31 March 2011, 20 April 2012 and 2 April 2013) and the payment of 3.3 million euros for the Frosst Ibérica working capital (the first three payments of 3.2 million euros each one were executed on 31 March 2011, 12 April 2012 and 2 April 2013). The outstanding debt of 4.0 million euros will be paid on 31 March 2014.

3.3 Free cash flow

Free cash flow (net cash generated (used) from operating activities plus/minus property, plant and equipment and intangible assets purchases/sales plus interest received) decreased to 3.8 million euros in the first half of 2013 from 9.6 million euros in the first half of 2012, mainly as a result of (i) the collection, in June 2012, of 12.4 million euros from Spanish Public Administrations which corresponded to pending invoices due for collection from the Autonomous Regions by 31st December 2011 and (ii) the 64% capital expenditure increase in the first half of 2013 compared to the first half of 2012.

3.4 Net and gross cash position

As of 30 June 2013, ROVI had a gross cash position of 42.8 million euros, compared to 45.9 million euros as of 31 December 2012, and a net cash position (financial assets and cash minus short term and long term debt) of 10.7 million euros, compared to 7.5 million euros as of 31 December 2012, providing it with a high level of financial flexibility.

3.5 Working capital

The increase in working capital in the first half of 2013 was mainly due to a cash increase of 5.8 million euros. The "trade and other payable" item increased by 6.8 million euros due to the registration, as of 30 June 2013, of the dividend of 6.8 million euros to be paid in July. Inventories increased by 0.4 million euros in the first half of 2013. The "trade and other receivables" item increased by 8.1 million euros in the same period.

On the 28th June 2013, the Spanish Government approved by law a financing plan for suppliers payment in order to cancel outstanding debts due for collection by 31st May 2013. This new "Suppliers Plan" was published in the official state gazette on the 29th of June (see <http://www.boe.es/boe/dias/2013/06/29/pdfs/BOE-A-2013-7063.pdf>). There is some uncertainty about the payment calendar for this new "Suppliers Plan". Against the information announced initially, pharmaceutical companies as well as most suppliers from different Autonomous Communities have been relegated to a second phase of the "Suppliers Plan". A commitment from the Ministry of Finance and Public Administrations about a certain closing date for the payment of the second phase of the "2013 Suppliers Plan" is expected to be



announced shortly. As of 30 June 2013, ROVI's total debt with Social Security, foundations and Public Administration amounted to 12.1 million euros.

4. Guidance for 2013

ROVI expects **to grow operating revenue from mid to high single digit for the full year 2013**, in spite of (i) the impact of the latest package of measures, approved by the Spanish Government on 20 April 2012, which was effective on the 1st of July in order to obtain savings of more than 7 billion euros in healthcare expenditure, and (ii) the decrease of the Spanish pharmaceutical market of 12% expected for 2013, according to Farmaindustria¹, the Spanish Pharmaceutical Association.

ROVI expects its growth drivers to be Bemiparin, its existing portfolio of specialty pharmaceuticals, last launches such as Vytorin, Absorcol, new product distribution licenses and new customers in the toll manufacturing area.

5. Research and Development update

ROVI's R&D projects keep going mainly focused on the ISM[®] platform, which is an own proprietary drug delivery system aimed to improve patients' therapeutic compliance. The most advanced candidate is Risperidone ISM[®], a second-generation antipsychotic drug.

After having been validated the ISM technology by a "proof of concept" phase I study on healthy subjects, and obtained scientific advice from the Spanish Medicines Agency and the FDA on the drug development program of Risperidone ISM[®], patients' enrolment of the phase I multicentre trial PRISMA-1 (*Pharmacokinetic evaluation of Risperidone ISM long-Acting injection - 1*) has already started in the first half of 2013. This is an open-label, randomized, parallel study to evaluate the pharmacokinetics, safety, and tolerability of a single intramuscular injection of Risperidone ISM[®] at 3 different dose strengths in subjects with schizophrenia or schizoaffective disorder²; it is also considered an additional escalating-dose stage, in case of the initial selected doses might not have achieved the optimal plasma levels; the results of the first parallel stage are expected by the first half of 2014 (and alternatively, by the second half of 2014, if the second escalating-dose stage is needed).

1. http://prensa.farmaindustria.es/Prensa_Farma/NotasDePrensa/FARMA_120174?idDoc=FARMA_120174

2. *Pharmacokinetic, Safety, and Tolerability Study of Risperidone ISM[®] at Different Dose Strengths (PRISMA-1)*. [<http://www.clinicaltrials.gov/ct2/show/NCT01788774?term=NCT01788774&rank=1>].

Besides, an IND submission is also planned by second half of 2013, which will allow initiating the phase II trial PRISMA-2 in the USA for evaluating multiple doses of Risperidone ISM[®] in schizophrenic patients. The results from this study are expected by the first half of 2015. Both PRISMA-1 and 2 studies, along with a thorough population pharmacokinetics modelling, will provide trustworthy information for tuning the final design of the phase III program.

In addition, the two remaining projects with other candidates for the ISM[®] platform are progressing well through the late preclinical phase. Initiation of the first human studies with Paliperidone ISM[®] (another second generation antipsychotic drug) and Letrozole ISM[®] (an aromatase inhibitor for the treatment of breast cancer) are planned for the first halves of 2014 and 2015, respectively.

As it has been previously informed, since last year ROVI has been undertaken important investments in order to build in Madrid a manufacturing plant for new medicines using the ISM[®] technology; this is being equipped with a very innovative, and unique in its class, machinery for filling solid compounds in syringes under good manufacturing practices. Thanks to these new facilities, ROVI will be prepared to supply with quality and agility the needed samples for carrying out the clinical trials within the next years, and in the future, the industrial production of commercial batches.

ROVI is also researching in glycomics. The degree of specialization achieved in this area allows consideration of the expansion of applications, indications and alternative mechanisms of action for the heparin-derived products and other glycosaminoglycans, based on both anticoagulant and non-anticoagulant activities.

Finally, the latest multilayer technology platform patented by ROVI now is ready to progressing on animal testing with the first prototypes.

6. Key operating and financial events

6.1 ROVI exercises the Purchase Option held over the health register of Rhodogil[®] in Spain

In June 2013, ROVI and Sanofi announced they have reached an agreement for ROVI to exercise the Purchase Option held over the health register of Rhodogil[®] in Spain, which was owned by Sanofi.

Under this agreement, Rhodogil[®] will be marketed by ROVI in Spain as soon as the administrative processes for the authorization of the transfer of the marketing authorization are completed before the Spanish Agency of Drugs and Health Products.



Since last 29th of July, 2003, ROVI have been providing to Sanofi commercial promotion services for Rhodogil® in Spain.

Rhodogil® is a synergistic combination of two antibacterial: metronidazole and spiramycin. Is effective against a broad spectrum of germs, especially those associated with infections of the oral cavity (e.g. dental infections).

According to IMS Health data, Rhodogil® sales in Spain reached 3.6 million Euros over the last twelve months to April 2013 (MAT April 2013), and in the case of macrolide antibiotics market and similar (such as Rhodogil®) reached a total 34.1 million Euros, reflecting the product a market share in units of 15% for that period.

6.2 Dividend payment

The ROVI General Shareholders Meeting, on 12 June 2013, approved the payment of a gross dividend of 0.1366 euros per share on 2012 earnings. This dividend was paid on 3 July 2013 and it meant an increase of 8% compared to the dividend on 2011 earnings.

About ROVI

ROVI is a fully integrated Spanish specialty pharmaceutical company engaged in the research, development, in-licensing, manufacturing and marketing of small molecule and specialty biologic drugs. The Company has a diversified portfolio of products that it markets in Spain through its specialized sales force, calling on specialist physicians, hospitals and pharmacies. ROVI's portfolio of 30 principal marketed products is currently anchored by the internally-developed, second generation low molecular weight heparin, Bemiparin. ROVI's research and development pipeline is focused primarily on the expansion of applications, indications and alternative mechanisms of action for the heparin-derived products and other glycosaminoglycans and on the development of new controlled release mechanisms based on ISM™ technology, with the aim of obtaining new pharmaceutical products that enable the regular administration of formulations which are administered daily in chronic and prolonged treatments. ROVI manufactures the active biological ingredient (Bemiparin) for its principal proprietary products and for injectable pharmaceutical products developed by its in-house research team, and utilizes its state-of-the-art filling and packaging capabilities to provide a broad array of toll manufacturing services to leading international pharmaceutical companies, primarily in the area of pre-filled syringes. In addition, ROVI provides contract manufacturing and packaging services of solid oral pharmaceutical dosage forms, using the most enhanced technology, Roller Compaction. Additional information about ROVI is available on the company's website: www.rovi.es



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Forward-looking statements

This news release contains forward-looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which might cause the actual results, financial condition, performance, or achievements of ROVI or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward looking statements. The statements in this press release represent ROVI's expectations and beliefs as of the date of this press release. ROVI anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while ROVI may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so, except in case of substantive changes. These forward-looking statements should not be relied upon as representing ROVI's expectations or beliefs as of any date subsequent to the date of this press release.



APPENDIX 1

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2013 AND 31 DECEMBER 2012

(Thousand of euros)

	30 June 2013	31 December 2012
ASSETS		
Non-current assets		
Property, Plant and Equipment	54,725	53,791
Intangible assets	5,779	3,176
Deferred tax assets	6,966	6,073
Available-for-sale financial assets	19,202	28,148
Financial receivables	134	133
	86,806	91,321
Current assets		
Inventories	56,587	56,225
Trade and other receivables	62,468	54,377
Current income tax assets	1,154	3,855
Cash and cash equivalents	22,361	16,585
	142,570	131,042
Total assets	229,376	222,363



LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2013 AND 31
DECEMBER 2012

(Thousand of euros)

	30 June 2013	31 December 2012
EQUITY		
Capital and reserves attributable to shareholders of the company		
Share capital	3,000	3,000
Legal reserve	600	600
Treasury shares	(2,267)	(2,060)
Retained earnings and voluntary reserves	118,495	105,692
Profit for the period	13,830	19,514
Reserve for available-for-sale assets	(265)	(299)
Total equity	133,393	126,447
LIABILITIES		
Non-current liabilities		
Financial debt	23,648	29,135
Deferred income tax liabilities	2,948	3,256
Non-current deferred revenue	7,920	8,393
	34,516	40,784
Current liabilities		
Trade and other payables	46,691	39,878
Financial debt	8,406	9,255
Current deferred revenue	4,338	4,348
Provisions for other liabilities and charges	2,032	1,651
	61,467	55,132
Total liabilities	95,983	95,916
Total equity and liabilities	229,376	222,363



LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE SIX-MONTH PERIODS ENDED 30 JUNE
2013 AND 30 JUNE 2012

(Thousand of euros)

	Six-month periods ended 30 June	
	2013	2012
Revenue	109,614	104,876
Changes in inventories	362	7,893
Raw materials and consumables used	(42,889)	(48,035)
Employee benefit expenses	(26,700)	(25,977)
Other operating expenses	(22,644)	(23,483)
Depreciation, amortisation and impairment charges	(3,256)	(2,444)
Recognition of government grants on non financial non-current assets and other	668	752
OPERATING PROFIT	15,155	13,582
Finance income	212	904
Finance costs	(841)	(1,173)
FINANCE COSTS - NET	(629)	(269)
PROFIT BEFORE INCOME TAX	14,526	13,313
Income tax	(696)	(354)
PROFIT FOR THE PERIOD	13,830	12,959



LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS FOR THE SIX-MONTH PERIODS ENDED 30 JUNE
2013 AND 30 JUNE 2012

(Thousand of euros)

	Six-month periods ended 30 June	
	2013	2012
Cash flows from operating activities		
Profit before income tax	14,526	13,313
Adjustments for non-monetary transactions:		
Amortisation	3,256	2,444
Interest income	(212)	(904)
Gains or losses on derecognition of financial assets and liabilities	-	21
Interest expense	841	1,173
Net changes in provisions	381	250
Grant for non-financial assets and income from distribution licences	(729)	(390)
Changes in working capital		
Trade and other receivables	(7,918)	9,668
Inventories	(362)	(7,893)
Trade and other payables	(17)	(5,737)
Other collections and payments		
Collection for distribution licenses	(50)	-
Interest paid	(158)	(63)
Income tax cash flow	790	972
Net cash generated (used) from operating activities	10,348	12,854
Cash flows from investing activities		
Purchases of intangible assets	(2,891)	(374)
Purchases of property, plant and equipment	(3,902)	(3,780)
Purchases of available-for-sale financial assets	-	(16,708)
Proceeds from sale of available-for-sale financial assets	8,958	4,240
Contracting short term bank deposits	(103)	(1,055)
Liquidating short term bank deposits	-	6,487
Cash decrease due to sale of Alentia Biotech	-	(10,278)
Interest received	212	904
Net cash generated (used) in investing activities	2,274	(20,564)
Cash flows from financing activities		
Repayments of financial debt	(7,551)	(6,668)
Proceeds from financial debt	793	1,636
Purchase of treasury shares	(1,464)	(685)
Reissue of treasury shares	1,376	425
Net cash generated in financing activities	(6,846)	(5,292)
Net (decrease)/increase in cash and cash equivalents	5,776	(13,002)
Cash and cash equivalents at beginning of the period	16,585	49,491
Cash and cash equivalents at end of the period	22,361	36,489