



# Half Year 2012 Financial Results and Business update

*July 30th 2012*



**Almirall**

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# Half Year 2012

*Eduardo Sanchiz, CEO*



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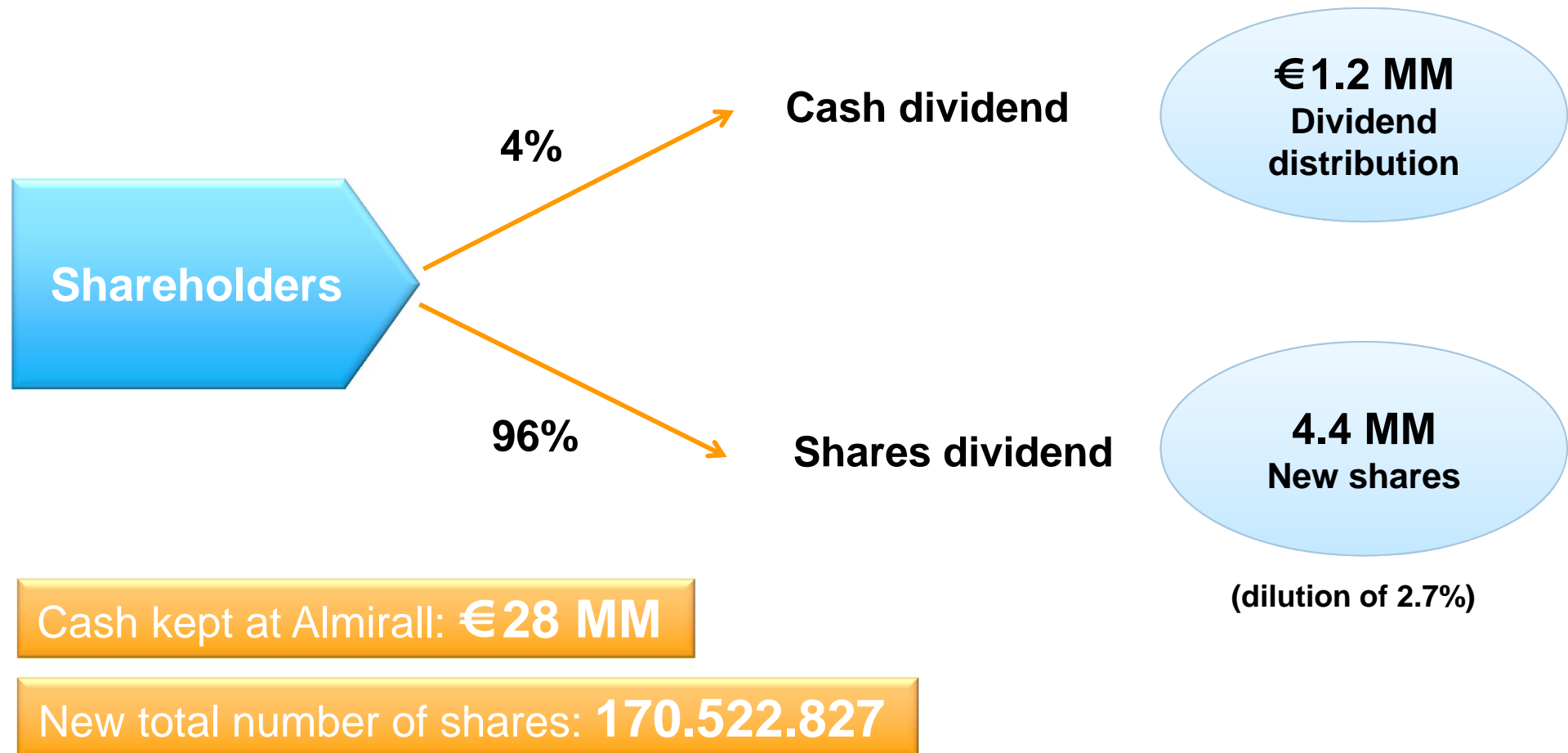
## Highlights YTD

- ✓ Acridinium monotherapy approved in the US and EU
- ✓ Eklira<sup>®</sup> partnered in EU & Korea
- ✓ Regulatory process on track for Linaclotide
- ✓ Positive 2<sup>nd</sup> MRP wave of Sativex<sup>®</sup> in EU
- ✓ Xarelto<sup>®</sup> co-promotion in Spain
- ✓ Guidance reiterated

# Half Year Financial Results

*Daniel Martinez, CFO*

# Successful Scrip Dividend



# H1 Financial Highlights

2012 guidance confirmed

- Sales in line with guidance (-12,3%)
- International sales represent 57% (vs 48% in H1 2011)
- Solid balance sheet (Equity = 64,4%)
- Positive Net Cash position (€ 4.9 MM)
- Continued solid free cash flow generation

# Income Statement

€ rounded Million	YTD Jun 2012	YTD Jun 2011	% var
<b>Net Sales</b>	<b>374,0</b>	<b>426,5</b>	<b>(12,3%)</b>
<b>Gross Profit</b>	<b>230,5</b>	<b>267,9</b>	<b>(14,0%)</b>
<i>% of sales</i>	61,6%	62,8%	
<b>Other Income</b>	<b>47,5</b>	<b>51,3</b>	<b>(7,4%)</b>
<b>R&amp;D</b>	<b>(77,7)</b>	<b>(62,8)</b>	<b>23,7%</b>
<i>% of sales</i>	(20,8%)	(14,7%)	
<b>SG&amp;A</b>	<b>(184,5)</b>	<b>(177,2)</b>	<b>4,1%</b>
<i>% of sales</i>	(49,3%)	(41,5%)	
<b>Other Op. Exp</b>	<b>2,1</b>	<b>0,9</b>	<b>133,3%</b>
<i>% of sales</i>	0,6%	0,2%	
<b>EBIT</b>	<b>17,9</b>	<b>80,1</b>	<b>(77,7%)</b>
<i>% of sales</i>	4,8%	18,8%	
<b>Depreciation</b>	<b>33,2</b>	<b>31,1</b>	<b>6,8%</b>
<i>% of sales</i>	8,9%	7,3%	
<b>EBITDA</b>	<b>51,1</b>	<b>111,2</b>	<b>(54,0%)</b>
<i>% of sales</i>	13,7%	26,1%	
Sale of noncurrent assets / Other	(0,6)	0,8	(175,0%)
Impairment reversals / (losses)	0,0	(1,2)	(100,0%)
Net financial income / (expenses)	(1,8)	(5,2)	(65,4%)
<b>Profit before tax</b>	<b>15,5</b>	<b>74,5</b>	<b>(79,2%)</b>
Corporate income tax	11,5	(6,7)	<i>n.m.</i>
<b>Net income</b>	<b>27,0</b>	<b>67,8</b>	<b>(60,2%)</b>
<b>Normalized Net Income</b>	<b>27,0</b>	<b>68,6</b>	<b>(60,6%)</b>
Earnings per share (€) <sup>(1)</sup>	0,16 €	0,41 €	
Normalized Earnings per share (€) <sup>(1)</sup>	0,16 €	0,41 €	
<b>Nu. of employees end of period</b>	<b>2.788</b>	<b>2.797</b>	<b>(0,3%)</b>

(1) Number of shares at the end of the period

- Sales in line with guidance
- International sales represents 57% (vs 48% in H1 2011)
- 2012 guidance reiterated



## Balance Sheet

€rounded Million	June 2012	% of BS	December 2011
Goodwill	270,7	19,7%	271,1
Intangible assets	347,7	25,4%	353,1
Property, plant and equipment	147,4	10,7%	152,1
Financial assets	9,5	0,7%	8,5
Other non current assets	228,4	16,7%	213,1
<b>Total Non Current Assets</b>	<b>1.003,7</b>	<b>73,2%</b>	<b>997,9</b>
Inventories	83,5	6,1%	93,2
Accounts receivable	112,2	8,2%	106,0
Cash & equivalents	128,7	9,4%	228,9
Other current assets	43,1	3,1%	30,6
<b>Total Current Assets</b>	<b>367,5</b>	<b>26,8%</b>	<b>458,7</b>
<b>Total Assets</b>	<b>1.371,2</b>		<b>1.456,6</b>
Shareholders equity	883,1	64,4%	854,7
Financial debt	82,3	6,0%	202,2
Non current liabilities	215,4	15,7%	188,3
Current liabilities	190,4	13,9%	211,4
<b>Total Equity and Liabilities</b>	<b>1.371,2</b>		<b>1.456,6</b>

Net Cash as of 30  
June 2012:

**€4.9 MM \***

\* **Net Cash** = €82,3 MM Financial Debt – €128,7 MM Cash and Equivalents + €41,5 MM Pension Liabilities

# Cash Flow

€rounded Million	YTD Jun 2012	YTD Jun 2011
<b>Profit Before Tax</b>	<b>15,5</b>	<b>74,5</b>
Depreciation and amortisation	33,2	31,1
Change in working capital	(16,9)	(24,1)
Other adjustments	15,2	(9,2)
<b>Cash Flow from Operating Activities (I)</b>	<b>47,0</b>	<b>72,3</b>
Financial Income	2,0	3,8
Investments	(22,7)	(18,0)
Divestments	0,5	0,4
Other cash flows	0,0	(1,8)
<b>Cash Flow from Investing Activities (II)</b>	<b>(20,2)</b>	<b>(15,6)</b>
Finance Expense	(4,3)	(7,7)
Dividends distribution	(1,2)	(47,4)
Debt increase/ (decrease)	(119,9)	(3,9)
Other cash flows	(1,6)	(4,1)
<b>Cash Flow from Financing Activities</b>	<b>(127,0)</b>	<b>(63,1)</b>
<b>Cash Flow generated during the period</b>	<b>(100,2)</b>	<b>(6,4)</b>
<b>Free Cash Flow (III) = (I) + (II)</b>	<b>26,8</b>	<b>56,7</b>

**Solid Free Cash  
Flow generation**

# Pipeline & Regulatory Update

*Bertil Lindmark, CSO*



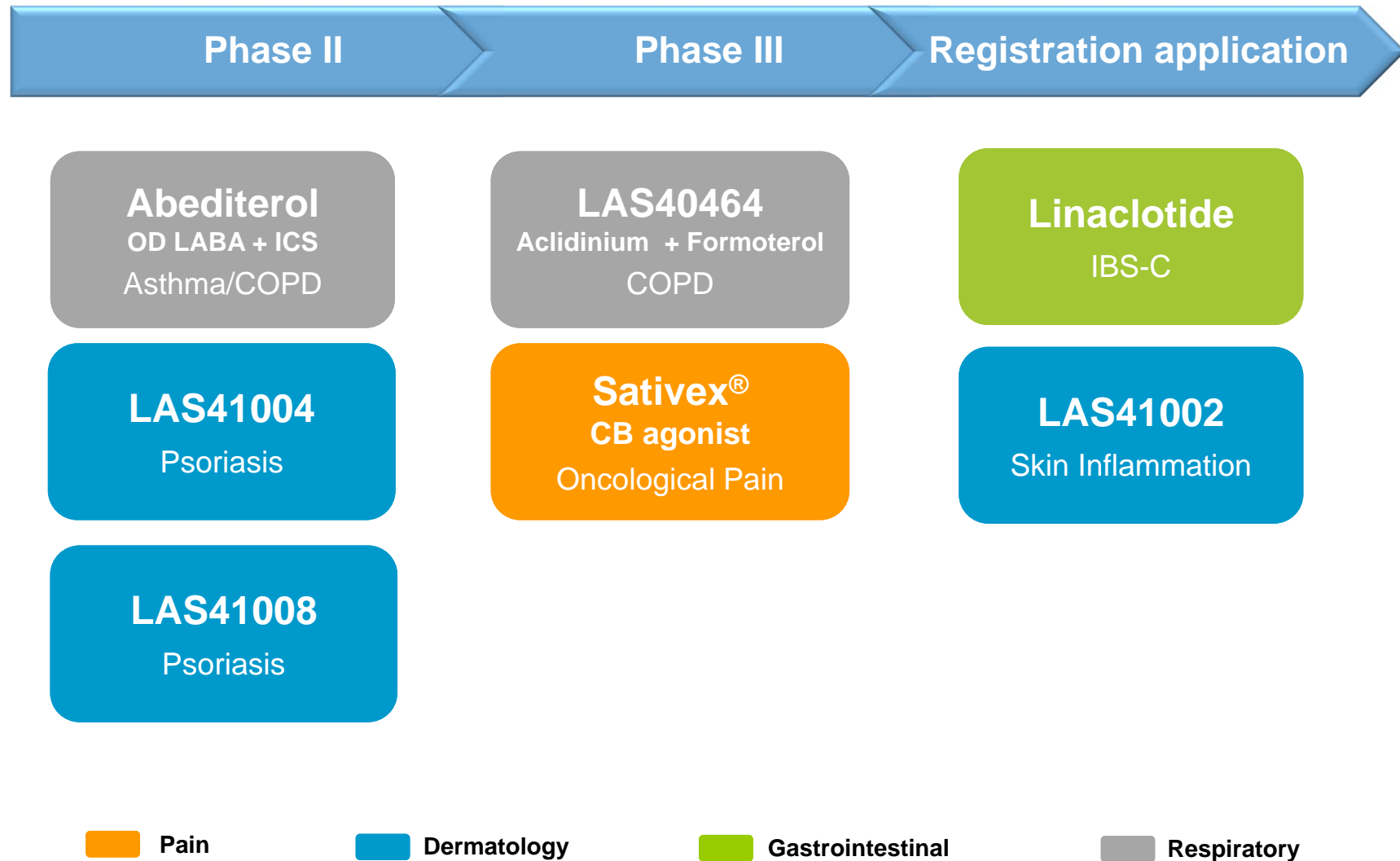
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## Pipeline and regulatory update

- **Aclidinium monotherapy**
  - ✓ Approved in the US and EU
- **Aclidinium + formoterol**
  - ✓ Phase III on track
  - ✓ Topline results expected in 2013
- **LAS41007**
  - ✓ Discontinued due to modest efficacy
- **Linaclotide EU**
  - ✓ 180-days completed

# A pipeline with significant upside

Preclinical and phase I projects not included



# Platforms of growth

*Luciano Conde, COO*

# Acclidinium

Almirall and partners cover 80% of worldwide COPD sales

## US



## Europe\*



\* Certain countries

## Japan&Korea



- Solid and direct presence in primary care and key geographies.
- Partners have non competing assets in development.
- Excellent track record in partnering.

# Aclidinium EU

Teaming up to deliver to millions of patients



Eklira®  
Genuair®

Bretaris®  
Genuair®

- ➔ Joint commercialization rights in most EU countries (except UK, The Netherlands and Nordics)
- ➔ In general, Almirall will book Eklira® sales + royalties on Bretaris® sales



Bretaris® Genuair®

- ➔ Rest of EU + Turkey, Russia and CIS
- ➔ Almirall retains certain commercial rights in all this territories
- ➔ Almirall will book royalties on Bretaris® sales



Eklira® Genuair®

- ➔ UK, Germany
- ➔ Almirall will book 100% of sales



Eklira® Genuair®

- ➔ Nordics, The Netherlands and Switzerland
- ➔ Almirall will book 100% of sales

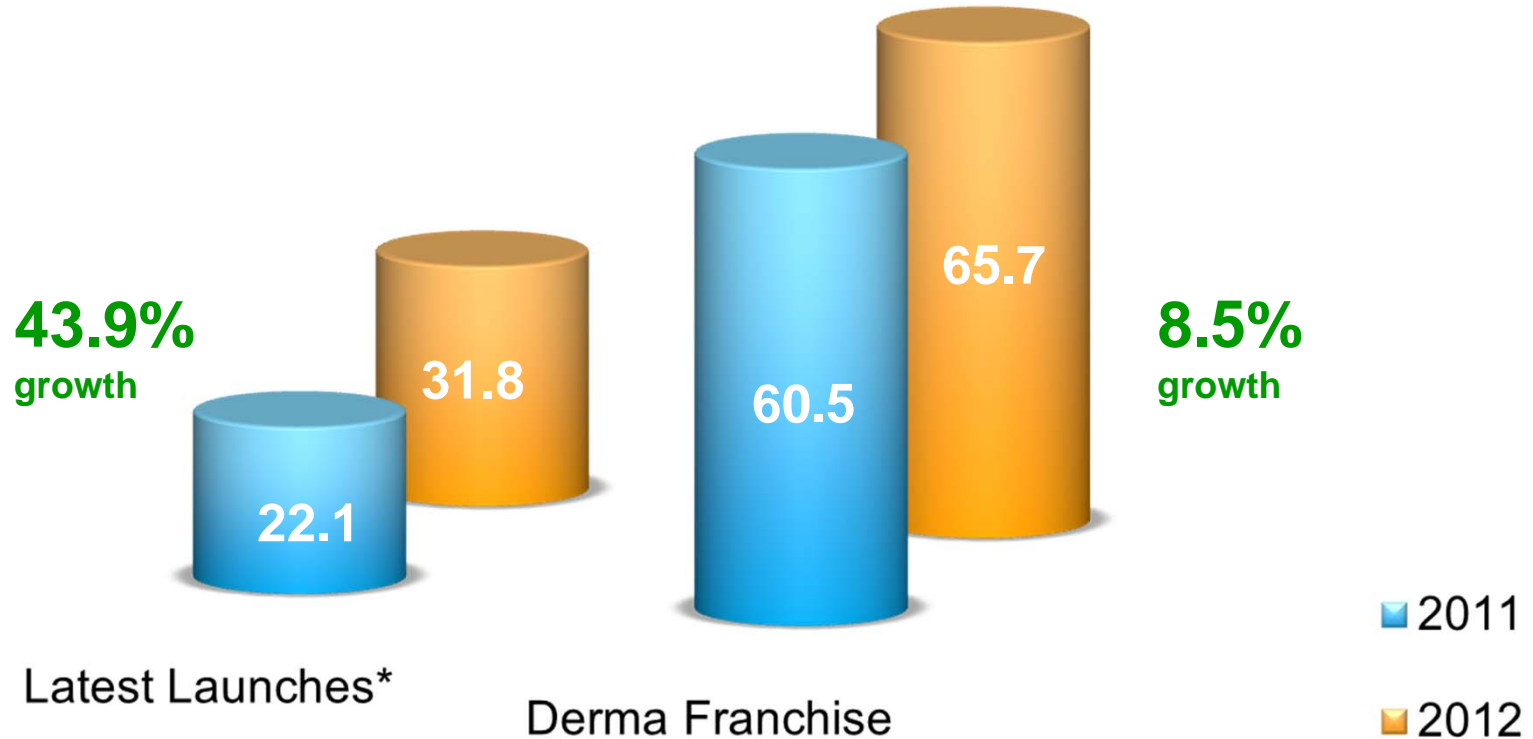


## Getting ready to be fully operational by launch time

- ✓ Preparing for these two opportunities (Eklira<sup>®</sup> and Linaclotide).
- ✓ Sizing-up capabilities in key EU geographies.
- ✓ Setting-up a Canadian affiliate.
- ✓ Building operational resources linked to regulatory triggers.
- ✓ Preparing pre-launch activities and implementing market access strategies.

# Latest launches and derma franchise represents 26% of H1 sales

€ rounded Million



\*Actikerall<sup>®</sup>, Efficib<sup>®</sup>, Sativex<sup>®</sup>, Silodyx<sup>®</sup>, Tesavel<sup>®</sup> and Toctino<sup>®</sup>

**Launched  
by Almirall**

Germany

Spain

Denmark

**New launches  
planned in 2012**

Sweden

Italy

Austria

Czech Republic

**Positive 2nd MRP  
Wave**

Recommended  
for approval in 10  
additional  
European  
countries\*

\* Belgium, Finland, Iceland, Ireland, Luxemburg, Netherlands,  
Norway, Poland, Portugal and Slovakia

# Key takeaways

*Eduardo Sanchiz, CEO*



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## What's next

- ✓ Acridinium monotherapy launch in US, Germany, UK and some Nordic Countries in 2012.
- ✓ Start of price and reimbursement process of acridinium in other EU territories.
- ✓ Roll out of Sativex<sup>®</sup> and Toctino<sup>®</sup>.
- ✓ Linaclotide CHMP voting during 2012 (EU).
- ✓ New licenses in line with our geographic and therapeutic priorities.
- ✓ Partnering acridinium in other geographies.

# Appendixes

## Q2 vs Q2

€rounded Million	2012 2Q	2011 2Q	% Var
<b>Net Sales</b>	<b>173,8</b>	<b>213,8</b>	<b>(18,7%)</b>
<b>Gross Profit</b>	<b>106,5</b>	<b>135,0</b>	<b>(21,1%)</b>
<i>% of sales</i>	<i>61,3%</i>	<i>63,1%</i>	
<b>Other Income</b>	<b>26,8</b>	<b>27,6</b>	<b>(2,9%)</b>
<b>R&amp;D</b>	<b>(39,7)</b>	<b>(28,0)</b>	<b>41,8%</b>
<i>% of sales</i>	<i>(22,8%)</i>	<i>(13,1%)</i>	
<b>SG&amp;A</b>	<b>(92,7)</b>	<b>(93,1)</b>	<b>(0,4%)</b>
<i>% of sales</i>	<i>(53,3%)</i>	<i>(43,5%)</i>	
<b>Other Op. Exp</b>	<b>2,1</b>	<b>0,7</b>	<b>200,0%</b>
<i>% of sales</i>	<i>1,2%</i>	<i>0,3%</i>	
<b>EBIT</b>	<b>3,0</b>	<b>42,2</b>	<b>(92,9%)</b>
<i>% of sales</i>	<i>1,7%</i>	<i>19,7%</i>	
<b>Depreciation</b>	<b>16,8</b>	<b>15,7</b>	<b>7,0%</b>
<i>% of sales</i>	<i>9,7%</i>	<i>7,3%</i>	
<b>EBITDA</b>	<b>19,8</b>	<b>57,9</b>	<b>(65,8%)</b>
<i>% of sales</i>	<i>11,4%</i>	<i>27,1%</i>	
Sale of noncurrent assets / Other	(0,2)	0,6	(133,3%)
Impairment reversals / (losses)	0,0	(1,2)	(100,0%)
Net financial income / (expenses)	(0,4)	(1,4)	(71,4%)
Tax	6,3	(3,0)	n.m.
<b>Net income</b>	<b>8,7</b>	<b>37,2</b>	<b>(76,6%)</b>
<b>Normalized Net Income</b>	<b>8,7</b>	<b>38,0</b>	<b>(77,1%)</b>

## Zoom in – Other Income

Includes:  
 € 18.3 MM of co-development revenues  
 € 12.8 MM linked to upfront and milestones payments

€rounded Million	YTD Jun 2012	YTD Jun 2011	% var vs LY
Co-development agreements	31,1	31,8	(2,1%)
Co-promotion agreements	7,4	6,1	21,6%
Product promotion collaboration	7,4	11,3	(34,7%)
Other	1,6	2,1	(23,8%)
<b>Total Other Income</b>	<b>47,5</b>	<b>51,3</b>	<b>(7,4%)</b>

Includes Actonel<sup>®</sup>, Cipralelex<sup>®</sup>, Conbriza<sup>®</sup>,  
 Libertek<sup>®</sup> and soon Xarelto<sup>®</sup>



## Sales by Region

€rounded Million	YTD Jun 2012	YTD Jun 2011	% var vs LY
Spain	162,0	221,6	(26,9%)
Europe & Middle East	152,2	156,4	(2,7%)
America, Africa & Asia Pacific	50,7	39,5	28,4%
Corporate	9,1	9,0	1,1%
<b>Total</b>	<b>374,0</b>	<b>426,5</b>	<b>(12,3%)</b>

# Breakdown of the core business

- Proprietary products
- In-licensing products

€rounded Million		YTD Jun 2012	YTD Jun 2011	% Var YTD
Ebastel <sup>®</sup> and others (ebastine)	●	52,4	70,1	(25,3%)
Almogran <sup>®</sup> and others (almotriptan)	●	30,6	31,9	(3,9%)
Plusvent <sup>®</sup> (salmeterol & fluticasone)	●	28,4	29,5	(3,8%)
Tesavel <sup>®</sup> & Efficib <sup>®</sup> (sitagliptin)	●	21,8	17,6	24,1%
Parapres <sup>®</sup> (candesartan cilexetile)	●	21,0	24,3	(13,4%)
Eklira <sup>®</sup> and other (aclidinium bromide)	●	16,7	0,0	<i>n.m.</i>
Airtal <sup>®</sup> and others (aceclofenac)	●	16,0	16,5	(2,8%)
Solaraze <sup>®</sup> (sodium diclofenac) & Actikerall <sup>®</sup> (5-FU/SA)	●	15,5	11,9	29,6%
Decoderm <sup>®</sup> and others (flupredniden)	●	9,6	8,7	11,2%
Balneum <sup>®</sup> (urea oil)	●	9,6	9,6	(0,9%)
Pantopan <sup>®</sup> (pantoprazole)	●	8,5	9,2	(7,6%)
Almax <sup>®</sup> (almagate)	●	8,3	9,2	(9,2%)
Cidine <sup>®</sup> and others (cinitapride)	●	7,9	8,0	(2,0%)
Elecor <sup>®</sup> (eplerenone)	●	7,8	6,7	15,5%
Cleboril <sup>®</sup> (clebopride)	●	6,9	6,7	3,3%
Other	● ●	113,0	166,5	(32,2%)
<b>Total Net Sales</b>		<b>374,0</b>	<b>426,5</b>	<b>(12,3%)</b>

## Net Sales breakdown by main Therapeutic Area

€rounded Million	YTD Jun 2012	YTD Jun 2011	% Var YTD
Respiratory	100,7	104,2	(3,3%)
Gastrointestinal and Metabolism	75,1	81,2	(7,5%)
Dermatology	65,7	60,5	8,5%
CNS	46,0	72,2	(36,3%)
Cardiovascular	40,0	61,4	(34,9%)
Osteomuscular	25,2	26,7	(5,6%)
Urological	10,6	10,2	3,3%
Other therapeutic specialties	10,7	10,0	7,1%
<b>Total Net Sales</b>	<b>374,0</b>	<b>426,5</b>	<b>(12,3%)</b>

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