

Barcelona (Spain), February 28, 2019

RESULTS PREVIEW: YEAR 2018

Reig Jofre closes 2018 with a turnover 180.5 M€ and EBITDA of 16.4 M€

- The sales growth of 7% allowed the turnover to reach € 180.5M. Within the good performance of Reig Jofre business units highlighted 35% growth in the nutritional supplements line of Forté Pharma in France
- Forté Pharma, Reig Jofre's nutritional supplements line, closed an excellent year thanks to new launches in the weight, energy and sleep control ranges, mainly
- The lines of antibiotics and freeze-dried injectable products from the pharmaceutical technologies area closed important international agreements in Indonesia, among others
- EBITDA showed a positive evolution of 4% compared to 2017 and stood at € 16.4M
- Personnel expenses increased by 6% as a result of the reinforcement of international commercial structures, especially in France result of the strong growth rate in sales and additions linked to the increase of productive capacity in Spain
- Other operating expenses grew by 11% compared to 2017, in line with previous quarters, largely due to the increase in marketing and advertising expenses related to the Nutritional Supplements area; the increase in R&D expenditure and, to a lesser extent, the impact of the new installed capacity at the Toledo plant
- The effort in R&D continued with an expenditure over € 9.5M in 2018. As a result of this effort, product development projects were activated for an amount of € 4.8M



- Net result grew by 5% and reached € 9.3M. Contributed the improvement in the financial results and the reversal of provisions linked to the valuation of the buildings where the company's production facilities are located
- Productive investment reached € 15.9M, of which € 7.5M were allocated to the new lyophilized plant in Barcelona. Other projects with impact this year were the compliance to the European Directive EU 2011/62 to avoid the counterfeit of medication, which will represent an accumulated investment of more than € 5M and the completion of the investment in the IV sterile line of the Toledo plant
- Total investment in 2018 reached € 21.7M, of which € 4.8M were allocated to R&D and € 15.9M to productive investment. Participation in open innovation in partnership with companies such as Syna Therapeutics, company in which Reig Jofre has a 50% stake, also had its impact in 2018
- Net financial debt stood at € 24.5M on 31 December, compared to €18.3M the previous year, due to the financing of the aforementioned investment projects that increased bank indebtedness, as planned
- Debt/EBITDA ratio for 2018 set at 1.49 times in line with forecasts and above previous year when that ratio stood at 1.16 times
- In 2018 Reig Jofre paid back its shareholders with a flexible dividend, which involved a cash payment of 380,109.36 euros and a capital increase charged to reserves for a total amount of 448,444.50 euros
- In November the third tranche of the Shares Buyback Temporary Program ended
- Reig Jofre will present 2018 detailed results at Madrid Stock Exchange on Tuesday, March 12 at 12.30 hours CET. The event will be broadcasted live via webcast



1. TURNOVER EVOLUTION

At the end of 2018, Reig Jofre simplified the presentation of its revenue sources, to facilitate the understanding of the company's main business segments.

SALES EVOLUTION BY BUSINESS AREA 2018



Historical commitment to development: 73% of the company's sales come from its own products development

CDMO services (Contract Development & Manufacturing Organization / Development and Production to third parties), represents 22% of total billing, driven by value-added products (derma in Sweden, injectables, biotech and antibiotics derived from penicillin)

Reig Jofre closed 2018 with a turnover of 180.5 million euros, a growth of 7% over year 2017.

The **area of pharmaceutical technologies** in antibiotics and injectable products contributed 54% of sales and grew by 6%, thanks, in part, to the use of full production capacity for the restoration of raw material supplies.

The **area of specialty products** in dermatology and gynecology mainly contributed 20% of the turnover with a decrease of 3% with respect to previous year, caused by a decrease in the dermatologic products.

The **area of consumer healthcare** in which highlighted the nutritional supplements line marketed by Forté Pharma brand, as well as other OTC products, contributed 26% of the turnover, with a growth of 22%. France being the main driver of this growth, thanks to the success of its new launches in the weight, energy and sleep control ranges. It is also worth noting the growth of this line in Benelux and Austria, mainly.



2. RESULTS PRESENTATION

Reig Jofre will present 2018 detailed results at Madrid Stock Exchange on Tuesday, March 12 at 12.30 hours CET. RSVP is appreciated at: investors@reigjofre.com

The event will be broadcasted live in Spanish and English via webcast, which can be accessed through the home page of Reig Jofre's web site: www.reigjofre.com

3. 2018 PROFIT AND LOSS ACCOUNT

<i>(in euro)</i>	30/09/2018	30/09/2017
Turnover	180,467,786	167,983,166
Changes in inventories	2,647,583	-108,495
Procurements	-70,266,942	-63,970,940
Gross margin	112,848,427	103,903,731
Work carried out for fixed assets	4,824,213	3,743,101
Other operating income	839,408	2,436,973
Personnel expenses	-52,139,938	-49,355,219
Other operating expenses	-49,979,259	-44,941,197
EBITDA	16,392,851	15,787,388
Depreciation and amortization	-7,605,319	-6,829,299
Government grants for non-financial assets and others	40,287	64,877
Impairment and results on disposals	1,192,051	-11,481
Operating income	10,019,870	9,011,485
Financial income	83,832	68,711
Financial expenses	-775,826	-1,077,074
Results from entities accounted by the equity method	155.312	0
Profit before taxes	9,483,189	8.003.122
Income tax	-230,530	807.905
% tax rate estimate	-2.4%	10.1%
Net result	9,252,659	8,811,028
Profit attributable to parent company	9,266,277	8,828,435
Profit attributable to non-controlling interests	-13,618	-17,407



4. BALANCE SHEET ON DECEMBER 31, 2018

<i>(in euro)</i>	31/12/2018	31/12/2017
ASSETS		
Non-current assets		
Goodwill	27,598,142	27,744,603
Other intangible assets	39,121,404	32,521,414
Property, plant and equipment	54,728,369	46,748,718
Available-for-sale assets	1,898,492	605,49
Non-current financial assets		716,08
Deferred tax assets	14,468,873	13,762,867
TOTAL NON-CURRENT ASSETS	137,815,280	122,099,173
Current assets		
Inventories	34,562,530	27,509,104
Trade and other receivables	33,855,964	35,161,239
Current tax assets	10,618	27
Other current financial assets	2,686,749	3,272,956
Other current assets	2,474,493	3,605,773
Cash and cash equivalents	8,269,415	11,688,831
TOTAL CURRENT ASSETS	81,859,769	81,237,933
TOTAL ASSETS	219,675,049	203,337,106
EQUITY AND LIABILITIES		
Equity		
Share capital	32,525,034	32,076,589
Reserves	110,182,505	102,481,683
Treasury shares	-900,228	-702,981
Interim dividend paid during the year	33,714	19,400
Profit attributable to the parent company	9,266,277	8,811,027
Exchange differences	-1,193,253	-1,110,245
Other comprehensive income for assets available for sale	-114,963	12,169
Equity attributable to parent company	149,799,086	141,587,642
Non-controlling interests	-59,424	-28,398
TOTAL EQUITY	149,739,662	141,559,244
Non-current liabilities		
Capital grants	105,091	145,375
Provisions	803,095	682,236
Financial liabilities with credit institutions	7,019,590	9,478,644
Financial lease liabilities	14,035,992	7,612,622
Other financial liabilities	5,682,586	6,098,347
Deferred tax liabilities	3,242,315	3,293,605
TOTAL NON-CURRENT LIABILITIES	30,888,669	27,310,829
Current liabilities		
Provisions	45,496	244,959
Financial liabilities with credit institutions	3,649,284	4,728,595
Financial lease liabilities	1,536,448	1,351,019
Other financial liabilities	807,761	716,710
Trade and other payables	29,910,977	23,975,413
Current tax liabilities	902,439	972,079
Other current liabilities	2,194,313	2,478,259
TOTAL CURRENT LIABILITIES	39,046,718	34,467,033
TOTAL EQUITY AND LIABILITIES	219,675,049	203,337,106



Receive Reig Jofre's news by registering in the company's **subscription center** of the new corporate website: **www.reigjofre.com**

About Reig Jofre

Founded in 1929 in Barcelona, Reig Jofre is a pharmaceutical company publicly listed on the Spanish stock exchange, devoted to the research, development, manufacture and marketing of pharmaceutical products and nutritional supplements. Reig Jofre structures its product development activity in three business areas: pharmaceutical technologies specialized in the development and manufacture of sterile and lyophilized injectable pharmaceutical products, as well as antibiotics derived from penicillin. Specialty products focused on the research, development, manufacture and commercialization of specialties in dermatology (skin, hair and nails) and gynecology (women's health), mainly. And, Consumer Healthcare in which highlights the line of nutritional supplements marketed under the brand Forté Pharma mostly in France, Belgium, Spain and Portugal, as well as other OTC products. Reig Jofre has more than 1,000 employees, 4 development and manufacturing centers in Europe (2 in Toledo, 1 in Barcelona and 1 in Sweden), direct sales in 7 countries and over 130 commercial partners in 67 countries worldwide. The company reached sales of €168 M in 2017. Reig Jofre trades on the Spanish stock exchange under the ticker RJF. Total outstanding shares: 65,050,067 shares

For further information

Inma Santa-Pau - Head of Communication and Institutional Relations
Tel. (+34) 93 480 67 10 (ext. 1242) - inma.santapau@reigjofre.com