



Solutions with you in mind

Q3 2009 Financial Results and Business Update

November 16th, 2009

Disclaimer

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Summary - Q3 2009 Financial Results

- Sustained growth in Net Sales (+2,4%) and Net Income (+6,1%).
- Temporary EBITDA erosion driven by lower Other Income (boost of Other Income in Q3 2008 derived from two milestone payments received totalling US\$ 22M).
- Net Debt reduced to x 0,48 EBITDA 2008.
- Recurrent Free Cash Flow generation.
- Full year 2009 guidance : - low single digit growth in Sales and Normalized Net Income
- mid single digit growth in EBIT and EBITDA

€rounded million	YTD Sept 09	YTD Sept 08	variation
Net Sales	701,3	685,2	2,4%
Other Income	77,3	123,6	-37,5%
EBITDA	210,3	217,4	-3,3%
Net income	140,7	132,6	6,1%
Normalized Net Income	127,0	134,0	-5,2%
Nu. of employees end of period	3.243	3.407	-4,8%

Income Statement

€ rounded million	YTD Sept 2009	YTD Sept 2008	% var
Net Sales	701,3	685,2	2,4%
Gross Profit	443,3	435,8	1,7%
% of sales	63,2%	63,6%	
Other Income	77,3	123,6	(37,5%)
R&D	(81,5)	(94,3)	(13,6%)
% of sales	(11,6%)	(13,8%)	
SG&A	(276,2)	(295,2)	(6,4%)
% of sales	(39,4%)	(43,1%)	
Other Op. Exp	(0,5)	0,2	<i>n.m.</i>
% of sales	(0,1%)	0,0%	
EBIT	162,4	170,1	(4,5%)
% of sales	23,2%	24,8%	
Depreciation	47,9	47,3	1,3%
% of sales	6,8%	6,9%	
EBITDA	210,3	217,4	(3,3%)
% of sales	30,0%	31,7%	
Sale of noncurrent assets / Other	20,5	0,9	<i>n.m.</i>
Impairment reversals / (losses)	4,0	0,0	<i>n.m.</i>
Net financial income / (expenses)	(14,8)	(13,7)	8,0%
Corporate income tax	(31,4)	(24,7)	27,1%
Net income	140,7	132,6	6,1%
Normalized Net Income	127,0	134,0	(5,2%)
Earnings per share (€) ⁽¹⁾	0,85 €	0,80 €	
Normalized Earnings per share (€)	0,76 €	0,81 €	
Nu. of employees end of period	3.243	3.407	(4,8%)

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

Highlights

- Positive evolution of Sales driven by international business.
- Lower R&D than in 2008, when ACCLAIM studies were mostly booked.
- SG&A containment.
- Temporary EBITDA erosion driven by lower Other Income (boost of Other Income in Q3 2008 derived from two milestone payments received totalling US\$ 22M).
- Tax increase derived from higher profits and reduction of tax credits.
- Positive evolution of Net Income and EPS.

Balance Sheet

€rounded million	Sept 2009	% of BS	December 2008
Goodwill	272,9	19,2%	273,5
Intangible assets	363,1	25,5%	342,7
Property, plant and equipment	166,1	11,7%	175,7
Financial assets	4,1	0,3%	3,9
Other non current assets	164,1	11,5%	165,3
Total Non Current Assets	970,3	68,1%	961,1
Inventories	120,3	8,4%	112,5
Accounts receivables	105,4	7,4%	107,9
Cash & equivalents	210,1	14,8%	186,1
Other current assets	18,3	1,3%	28,8
Total Current Assets	454,1	31,9%	435,3
Total Assets	1.424,4		1.396,4
Shareholders equity	740,1	52,0%	653,0
Financial debt	292,4	20,5%	321,0
Other non current liabilities	178,5	12,5%	183,3
Other current liabilities	213,4	15,0%	239,1
Total Equity and Liabilities	1.424,4		1.396,4

Highlights

- Increase of inventories linked to seasonal effects. Accounts receivables remain stable.
- Solid Financial position with Equity representing 52% of the Balance Sheet.
- Substantial improvement of Cash position.
- Net Debt of € 110MM (x 0,48 EBITDA 2008).

Cash Flow

€rounded million	Sept YTD 2009	Sept YTD 2008
Profit Before Tax	172,0	157,4
Depreciation and amortisation	47,9	47,3
Change in working capital	(49,8)	(30,1)
Other adjustments	(11,2)	19,1
Cash Flow from Operating Activities (I)	158,9	193,7
Financial Income	1,8	5,2
Investments	(55,0)	(14,5)
Divestments	19,4	2,4
Other cash flows	(1,1)	1,8
Cash Flow from Investing Activities (II)	(34,9)	(5,1)
Finance Expense	(14,8)	(19,9)
Dividends distribution	(52,5)	(52,5)
Debt increase/ (decrease)	(28,6)	(137,7)
Other cash flows	(4,1)	2,3
Cash Flow from Financing Activities	(100,0)	(207,8)
Cash Flow generated during the period	24,0	(19,2)
Free Cash Flow (III) = (I) + (II)	124,0	188,6

Highlights

- Recurrent Cash Flow generation from Operating Activities.
- *Sativex* and *Linacotide* payments included in Investments.
- Divestment of 13 non-promoted products for a total of €19,1MM.
- Debt cancellation of €30MM.
- Recurrent Free Cash Flow generation despite of investments during the period

Comments on Cash Flow from Operating Activities

€rounded million	YTD Sep 2009	YTD Sep 2008
Profit Before Tax	172,0	157,4
Depreciation and amortisation	47,9	47,3
Change in working capital	(49,8)	(30,1)
Other adjustments	(11,2)	19,1
Cash Flow from Operating Activities	158,9	193,7

- Improvement in Stocks and Accounts receivables vs. previous 2009 quarters.
- Seasonal Accounts payable decrease expected to improve at the end of the year.

Linked to the divestment of 13 products in Q1 (which is included in Profit Before Tax and has been deducted from the Cash Flow from Operating Activities).

Key Takeaway

- Improvement of Working capital vs. Q3 expected at the end of the year.

Q3 2009 vs Q3 2008

€rounded million	2009 3Q	2008 3Q	% 3Q09 vs 3Q08
Net Sales	212,5	217,3	(2,2%)
Gross Profit	128,5	141,1	(8,9%)
<i>% of sales</i>	<i>60,5%</i>	<i>64,9%</i>	
Other Income	23,0	44,7	(48,5%)
R&D	(25,8)	(30,0)	(14,0%)
<i>% of sales</i>	<i>(12,1%)</i>	<i>(13,8%)</i>	
SG&A	(75,6)	(92,4)	(18,2%)
<i>% of sales</i>	<i>(35,6%)</i>	<i>(42,5%)</i>	
Other Op. Exp	0,5	0,3	66,7%
<i>% of sales</i>	<i>0,2%</i>	<i>0,1%</i>	
EBIT	50,6	63,7	(20,6%)
<i>% of sales</i>	<i>23,8%</i>	<i>29,3%</i>	
Depreciation	16,1	15,5	3,9%
<i>% of sales</i>	<i>7,6%</i>	<i>7,1%</i>	
EBITDA	66,7	79,2	(15,8%)
<i>% of sales</i>	<i>31,4%</i>	<i>36,4%</i>	
Sale of noncurrent assets / Other	0,4	0,0	<i>n.m.</i>
Impairment reversals / (losses)	0,0	0,0	<i>n.m.</i>
Net financial income / (expenses)	(6,0)	(4,4)	36,4%
Tax	(7,7)	(12,2)	(36,9%)
Net income	37,3	47,1	(20,8%)
Normalized Net Income	37,9	47,6	(20,4%)

Highlights

- Quarter mainly driven by lower Other Income (boost of Other Income in Q3 2008 derived from two milestone payments received totalling US\$ 22M).

Net Sales breakdown by Business and Region

Growing internationally

Net Sales breakdown by Business Channel

€rounded million	YTD Sept 2009	YTD Sept 2008	variation
Own sales Network (within Spain)	401,4	401,6	(0,1%)
Own sales Network (other countries)	214,5	207,8	3,2%
Marketing with licensees	57,7	51,0	13,3%
Corporate	27,7	24,8	11,5%
Total	701,3	685,2	2,4%

Net Sales breakdown by Geographic Area

€rounded million	YTD Sept 2009	YTD Sept 2008	variation
Spain	401,4	401,6	(0,1%)
Europe & Middle East	217,0	203,8	6,5%
America, Africa & Asia Pacific	55,2	55,0	0,6%
Corporate	27,7	24,8	11,5%
Total	701,3	685,2	2,4%

Highlights

- Stable sales in Spain, sound growth in affiliates
- Increase in sales to licensees
- Corporate sales improvement linked to toll manufacturing

Net Sales breakdown by Top 10 Products

€rounded million	YTD Sept 2009	YTD Sept 2008	variation
Ebastine	94,2	81,5	15,6%
Atorvastatin	89,6	77,6	15,3%
<i>Esertia</i> (escitalopram)	48,0	41,3	16,1%
<i>Plusvent</i> (salmeterol & fluticasone)	44,4	44,5	(0,3%)
Almotriptan	39,6	35,9	10,3%
Aceclofenac	32,7	38,4	(14,9%)
<i>Parapres</i> (candesartan cilexetile)	32,3	30,4	6,1%
<i>Opiren</i> (lansoprazole)	26,1	26,4	1,4%
<i>Dobupal</i> (venlafaxine)	26,0	36,8	(29,6%)
<i>Solaraze</i> (diclofenac sodium)	17,1	11,5	48,7%
Other	251,3	260,7	(3,6%)
Total	701,3	685,2	2,4%

€450M
+ 5,9%

€425M

Highlights

- Solid growth of top ten products in absolute value (+5,9%).
- *Solaraze* continues its good evolution and keep its position in the Top 10.
- Excellent evolution of ebastine, atorvastatin (*Prevencor* / *Astucor*) and escitalopram (*Esertia*)

Net Sales breakdown by main Therapeutic Area

€rounded million	YTD Sept 2009	YTD Sept 2008	variation
Cardiovascular	142,7	132,0	8,2%
CNS	126,8	134,2	(5,5%)
Respiratory	146,3	133,3	9,8%
Digestive	106,2	102,2	3,9%
Dermatology	86,2	76,7	12,4%
Osteomuscular	53,7	62,3	(13,8%)
Other ther. specialties	39,4	44,6	34,4%
Total	701,3	685,2	2,4%

€339M
+ 8,5%

€312M

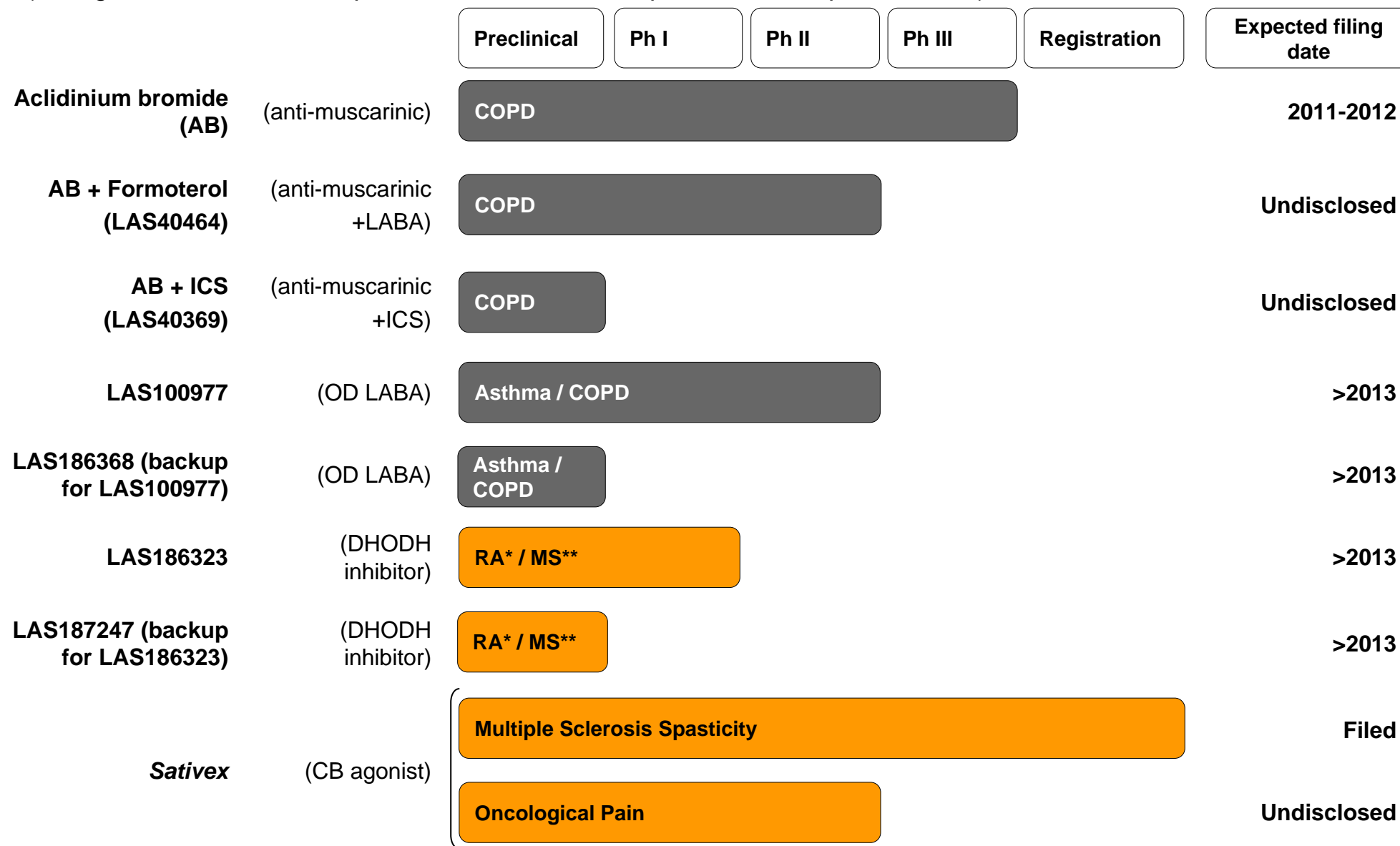
Highlights

- Solid growth (+8,5%) of therapeutic areas leading Almirall's pipeline.
- Positive evolution of respiratory, cardiovascular and digestive products.
- Strong growth in dermatology linked to the roll out of the derma portfolio.

A pipeline with significant upside (I)

(the right end of each bar represents status of development as of September 30th)

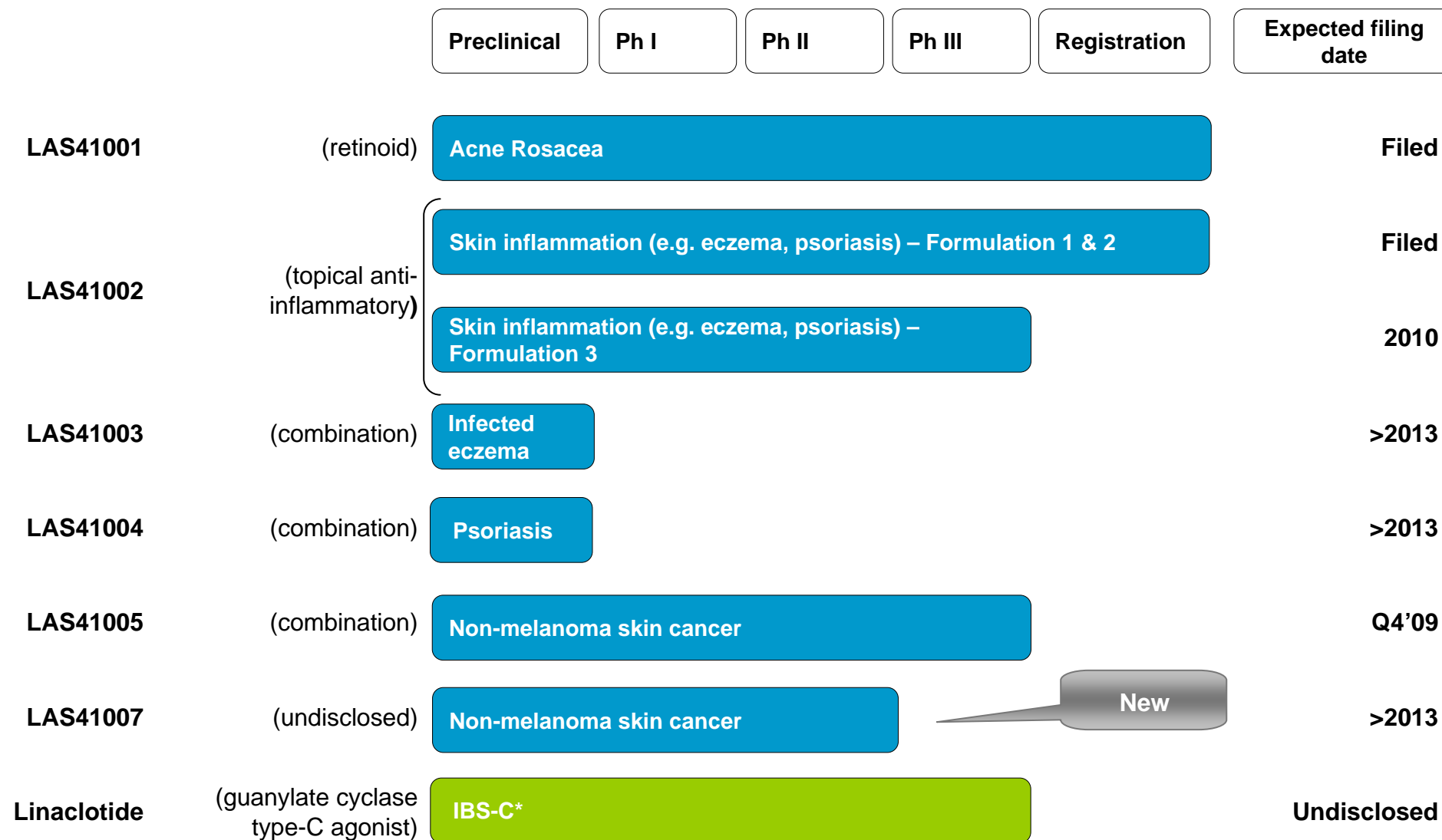
■ Respiratory
■ Auto-immune



A pipeline with significant upside (II)

(the right end of each bar represents status of development as of September 30th)

■ Dermatology
■ Gastrointestinal



Pipeline moving forward (I) : Eklira®

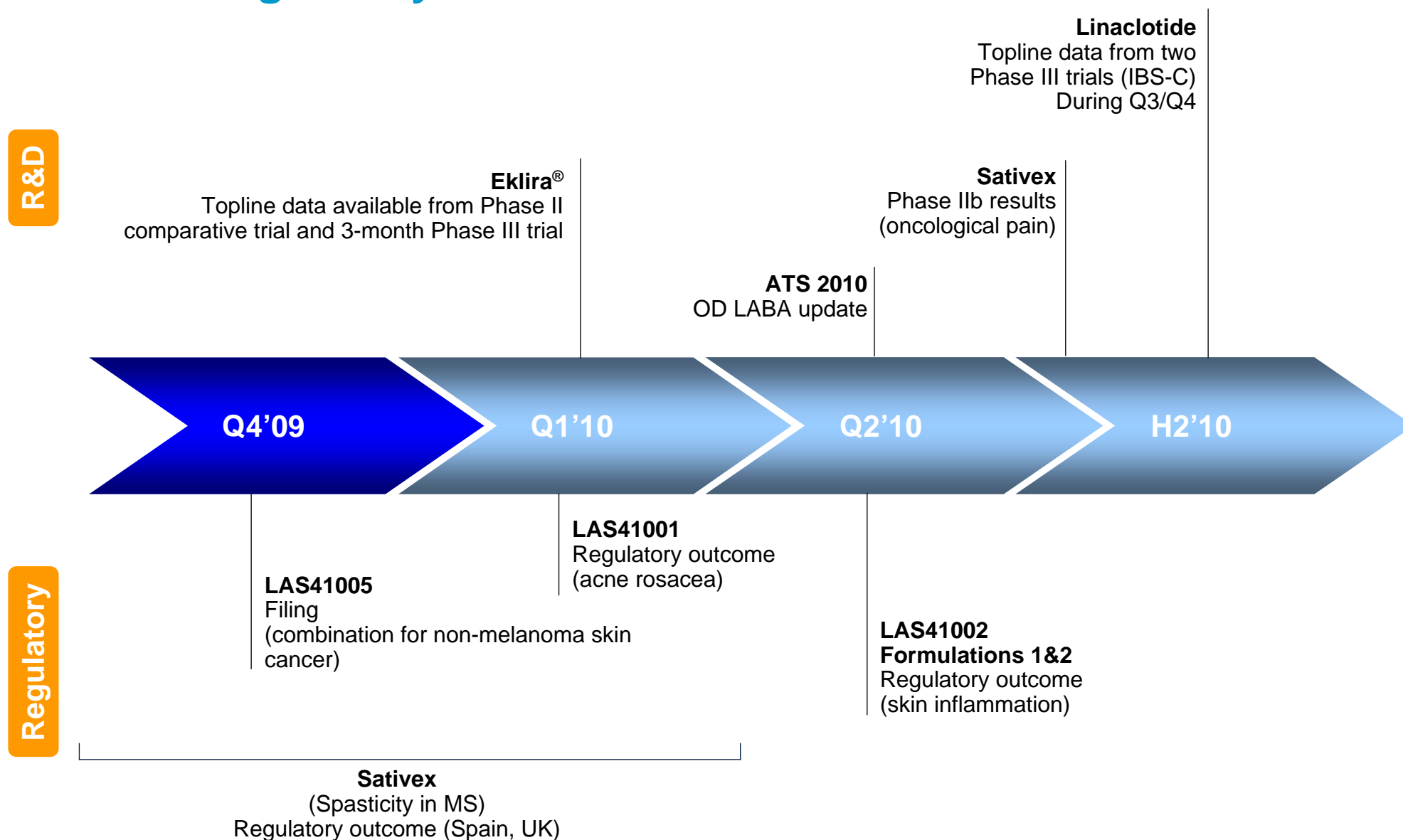
- On Sep 9th Almirall announced its intention to file a Marketing Authorization Application with the European Medicines Agency (EMA) for its once-daily long acting muscarinic antagonist Eklira® (aclidinium bromide) in early 2010, for the maintenance bronchodilator treatment and symptom control of COPD.
- The filing for once-daily aclidinium bromide 200µg will be supported by a large clinical programme, including: two 12-month studies (ACCLAIM/COPD I and II); an exercise endurance and lung hyperinflation study; and a rate of onset study. This program accounted for more than 2,000 COPD patients worldwide.
- On Oct 20th Almirall announced positive results from a Phase II study comparing aclidinium BID and tiotropium and the completion of the enrolment of a Phase III three-month study with two different BID doses vs placebo. The results of both trials to be announced in Q1 2010.
- Additionally, two new Phase III clinical studies with aclinium vs placebo (including one of three months and one of six months), have been added to the ongoing twice daily development programme.

Pipeline moving forward (II) : Linaclotide

- On Nov 2nd Ironwood and Forest announced positive results for two pivotal Phase III trials in patients with chronic constipation (CC).
- Topline results show each trial met primary and all secondary endpoints.
- This announcement triggered an equity investment by Almirall worth US\$ 15 Mill of Ironwood's shares.
- The results confirm the potential for this compound for which Almirall holds pan-european rights + Turkey + CIS*.
- These two studies are part of a larger Phase III program investigating the effect of linaclotide in CC and irritable bowel syndrome with associated constipation (IBS-C).
- There are two ongoing Phase III to assess the safety and efficacy of linaclotide in patients with IBS-C , results due during the second half of 2010.

** Commonwealth of Independent States*

R&D / Regulatory Newsflow



Financial & Corporate Development Outlook 2009-2010

Financial guidance for 2009

- Low single digit growth in Sales and Normalized Net Income.
- Mid single digit growth in EBIT and EBITDA.
- Pay-out policy to be maintained at 35-40% (unless capital discipline and/or business requirements dictate otherwise).

Outlook 2010

- For 2010, as preliminary indication, we expect flat to slightly declining sales and a continuation of the ongoing cost containment efforts (except for R&D where we will resume growth) aiming to sustain the company's profits.

Corporate Development priorities for 2009-2010

- Partnering key pipeline products (Eklira® in Europe & Japan, LAS 100977).
- Pursuing new license-in opportunities.
- Continue to evaluate selected acquisitions.

About Almirall

Almirall - Growth, innovation and financial performance

Corporate profile and key facts

Headquarters



R&D Centre



- **A growing R&D-driven pharma company listed in 2007**
 - Founded in 1943. Headquartered in Barcelona, Spain.
 - #1 Spanish pharma, #1 Derma in Germany, #8 across Europe.
 - Well-diversified, branded and patented product portfolio.
- **A fully integrated company with a solid, expanding international business**
 - Own affiliates in 11 countries, proprietary products present in more than 70 countries.
 - Recognized partnerships (Pfizer, GSK, J&J, Forest, Dainippon, Takeda, Nycomed).
 - Four new licence-in agreements since Q4'08.
- **A successful and focused R&D strategy that balances risk and return**
 - 40 years of R&D expertise, successful approval of proprietary products in the US, UK and Japan in the last 20 years.
 - Significant business opportunity with acridinium bromide franchise and LAS100977 (OD LABA).
 - Research focus : respiratory diseases (Asthma and COPD), autoimmune diseases (RA, MS) and dermatology.
- **Solid financial performance in a challenging environment**
 - €1.056 MM Total Revenue (+15,1%), €903 MM Sales (+13,9%), €230 MM EBITDA (+35%) and Free Cash Flow €218,8 MM in 2008.
 - Net Debt x 0,48 EBITDA (2008) as of Q3 2009 – Capacity for non-organic growth.
 - Reiterated payout policy : 35-40%.

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