

Valencia (Spain), 26 February 2010

**Annual Results Report for 2009
(Unaudited Accounts)**

**Natraceutical closes 2009 with a negative result of € 43.99 M,
attributable to the accounting impact of the Naturex operation**

- The yearly results were affected by the entering into accounts of the Naturex operation: last December, Natraceutical exchanged its Ingredients Division for a 34% shareholding in the French multinational. The need to enter this shareholding into accounts at a value close to that of its quoted price at the time of the agreement led to a difference in relation to the book value of the exchanged assets. This fact, together with certain provisions and the desencumbrance of the balance sheet derived from the same operation, gave rise to a negative impact of € 33 M on the results account. In view of its nature as an accounting depreciation, the mentioned amount does not represent a cash outflow and generates a potential capital gain, given that the estimated value of Naturex's shareholding is superior to the quoted reference price at which the shareholding was entered.
- During the final quarter of 2009, Natraceutical effected a significant reduction of its net debt from €99 M upon the closure of October 2009 to €69 M in December 2009. This decrease has been possible mainly by means of the reception of funds from the additional cash payment made by Naturex for Natraceutical assets.
- Following the contribution of its Ingredients Division to Naturex, the company has reduced its corporate structure, the cost of which has decreased from €3.5 M in 2009 to a forecast € 1.7m in 2010.
- Overall, Natraceutical Group's operational activity in 2009 prior to the Naturex operation generated a total turnover of €134.91 M and normalized EBITDA of €5.5 M, representing decreases of 16.21% in sales and 75.19% in EBITDA, respectively. The negative net result amounts to € 43.99 M, mainly fuelled by the accounting operation involving the exchange of Naturex assets and the desencumbrance of the balance derived from the discontinuity of the Ingredients Division.
- Following the corporate reorganization process, Natraceutical Group forecasts the generation of profits once more in 2010, supported by an adaptation of the Nutritional Supplements Division's (Forté Pharma) international development strategy and the consolidation by equity equivalence of Naturex's net profit.
- The company estimates that Forté Pharma will return results in 2010 similar to those of 2008, when the company registered sales of € 57 million and EBITDA of € 7M.

The following table details the main consolidated magnitudes, shown per business unit, with non-recurring costs grouped under a single heading for a greater understanding of the accounting information contained in the Financial Statements:

2009 Natraceutical Group Main Figures				
<i>In million €</i>	I.D.	N.S.D.	C.S.	TOTAL
Turnover	88,08	46,72	0,11	134,91
Gross margin	32,89	35,88	0,11	68,88
<i>% over sales</i>	<i>37,34%</i>	<i>76,80%</i>	<i>100,00%</i>	<i>51,06%</i>
Ebitda	6,99	2,06	-3,55	5,5
<i>% over sales</i>	<i>7,94%</i>	<i>4,41%</i>		<i>4,08%</i>
Amortization	-4,89	-1,96	-0,2	-7,05
Profit from Operations	2,10	0,10	-3,75	-1,56
Financial result			-8,89 ⁽¹⁾	-8,89
Non-recurring items	-31,93	-0,03	-1,1	-33,06
Taxes	-0,69	0,21	0	-0,48
Net Result	-30,53	0,28	-13,74	-43,99

I.D.: Ingredients Division

N.S.D.: Nutritional Supplements Division

C.S.: Corporate Structure

(1) It includes € 1.68 M loss from interest hedging swaps

1.- Business performance by divisions

Ingredients Division

In a quarter marked by the integration of the Natraceutical Group Ingredients Division into Naturex and the complexity of establishing a comparison with same period of the previous year due to non-recurring sales effected in late 2008, the Division ended 2009 with a turnover of 88.08 million Euros and EBITDA of 6.99 million Euros, resulting in an EBITDA margin on sales of 7.94%. Gross margin was 32.89 million Euros (37.34% of sales).

Following the merger with Naturex, Natraceutical is to focus its operational activity on the development of its Nutritional Supplements Division in Europe, the products of which the company markets exclusively through pharmacies and drugstores under the Forté Pharma brand, and will participate in the natural ingredients for the food, pharmaceuticals and cosmetics industries sector through its shareholding in Naturex.

Nutritional Complements Division

Laboratoires Forté Pharma, the main component within Natraceutical Group's Nutritional Supplements Division, closed the 2009 financial year with a turnover of 46.72 million Euros.



**natraceutical
group**

The performance between complete financial years reveals a 19.2% decrease in sales in 2009, which was due mainly to the 20% reduction of the weight control nutritional complements market in 2009 in France – Forté Pharma's main market. Nevertheless, and thanks to Forté Pharma's position of leadership in the French weight control market, the brand maintained its market quota of around 16%, as well as its reputation as a reference brand in chemists and drugstores.

Business performance throughout 2009 saw a positive first quarter, with sales maintaining levels similar to those registered in the same period in previous years. It must be remembered that Forté Pharma's pre-sales campaign for its "Weight control" is mainly centred on the first quarter of the year, as consumption of these products is concentrated largely in the spring-summer months. However, the effect of the economic crisis on consumption led to major over-stocking in the pharmaceutical distribution channel, which affected sales during the remainder of the year.

Faced with such a situation, Forté Pharma has decided to continue investing in advertising throughout the year in order to stimulate stock rotation and to ensure sales recovery 2010.

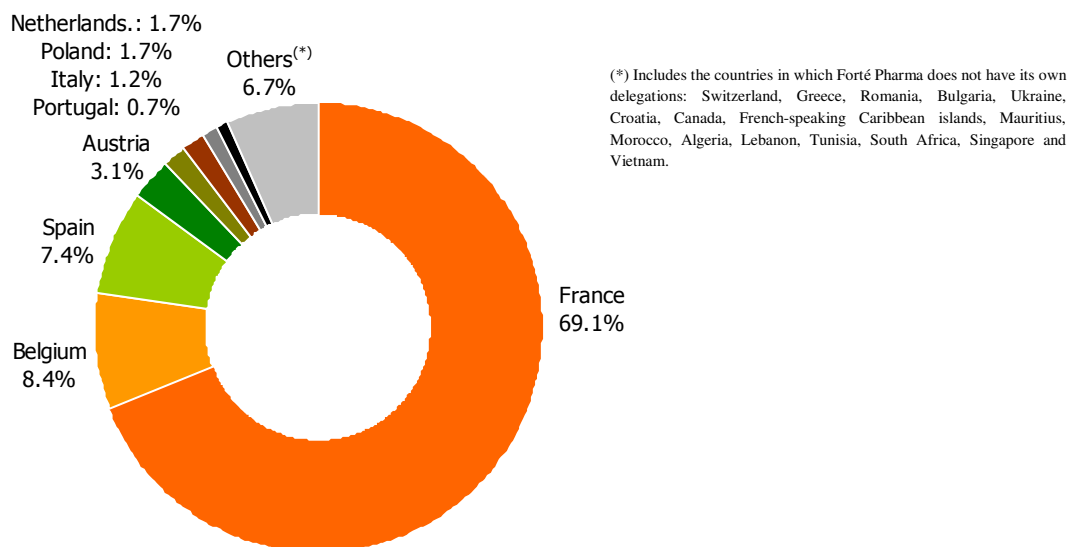
With regard to product ranges, the "Weight Control" range, which represented 74.5% of Forté Pharma's turnover upon the closure of 2008, is gradually being supplemented with the development of the "Health" and "Beauty" ranges (18.4% and 7.1% of sales in 2008, respectively). The company's interest in balancing the weight of its three product lines responds to the greater importance of health products in northern European countries, which are clear objectives for the company, and to its interest in seasonally-adjusting this Division's sales. As of December 2009, sales of the "Weight Control" range represented 67.8% of the total, while "Health" and "Beauty" have grown to 21.2% and 11%, respectively.

Despite the drop in sales, Forté Pharma's business structure, which has highly variable costs, has enabled the company to minimize the impact on its EBITDA, which was 2.06 million Euros at year-end 2009, compared to 6.72 million Euros in the same period the previous year. The Division's gross margin on sales was 76.79%.

As of the end of 2006, and from its position as one of the leading laboratories in France within the nutritional supplements industry, Natraceutical designed a business plan clearly aimed at creating a pan-European brand for exclusive sale in pharmacies and drugstores. The penetration strategy for the different markets involves the development of a company sales network, supported by local distributors where necessary. In this regard, over the past three years, and despite the complexity of the economic context, Forté Pharma has successfully expanded its borders and is now present in 14 countries in Europe (France, Belgium, Holland, Spain, Portugal, Italy, Austria, Poland, Switzerland, Greece, Romania, Bulgaria, Ukraine and Croatia, with regional offices in the first five), while maintaining business relationships with distributors outside the EU, in countries such as Canada, French-speaking Caribbean islands, Mauritius, Morocco, Algeria, Lebanon, Tunisia, South Africa, Singapore and Vietnam.

The internationalization of the company during these three years led Forté Pharma's sales outside the French market to reach 31% of total turnover at the closure of 2009, a level that the company expects to increase in future years.

Geographical distribution of Nutritional Supplements Division's sales



As a significant step in the company's internationalization strategy, on 4 November Natraceutical communicated the signing of a strategic alliance with BioNike, a pharmaceutical laboratory which produces hypoallergenic cosmetics which are sold through chemists in Italy, in order to assist Forté Pharma penetration into the Italian market.

The agreement with the Italian company materialized Forté Pharma's interest in fully developing its activities in Italy, the third largest market for nutritional supplements in Europe after Germany and the UK, with a total sales volume in 2008 estimated at 950 million Euros.

Founded in 1930, BioNike has its own sales network in Italy consisting of 44 delegates, covering some 4500 chemists and drugstores. Specializing in the development and marketing of hypoallergenic skin cosmetics for children and adults, BioNike also has a medical sales network consisting of 40 professionals focused on dermatologists and paediatricians.

In 2009, Forté Pharma's budding activity in Italy, carried out through an agreement with a local distributor, accounted for 1.2% of the company's turnover. Following the agreement with Bionike, which entered fully into force in January 2010, the company expects this year's sales in Italy to reach 2.8% of the Forté Pharma total.

Corporate structure

Natraceutical's Ingredients Division had its headquarters in the UK, while the headquarters of the Nutritional Supplements Division (Forté Pharma) is located in Monaco.

During 2009, and especially in view of the Ingredients Division's integration into Naturex, Natraceutical Group's corporate structure was subject to a profound restructuring process that has reduced the company's cost from 3.5 million Euros in 2009 to a forecast 1.7 million Euros in 2010.

The income statement at year-end includes an impact of 1.1 million Euros as a result of this restructuring.

2.- Financial structure

During the final quarter of 2009, Natraceutical effected a significant reduction of its net debt, which was reduced from €99 M upon the closure of October 2009 to €69 M in December 2009. This decrease has been possible mainly by means of the reception of funds from the additional cash payment made by Naturex within the context of the incorporation of the Natraceutical Ingredients Division.

Following the exchange of assets with Naturex, Natraceutical is completing the refinancing of the resultant debt, a process which is expected to be completed in the coming weeks.

It is important to remember that, as of 1 January 2010, the main assets that support Natraceutical's financial debt are the activities of the Nutritional Supplements Division and the 34% stake in Naturex, representing 2,159,370 shares (of a total of 6,364,000).

3.- Expected business performance during 2010

Following the incorporation of the current Natraceutical Group into Naturex's Ingredients Division, Natraceutical is to focus its operational activity on the development of its Nutritional Supplements Division in Europe, the products of which the company markets exclusively through chemists under the Forté Pharma brand.

Following this corporate operation, Natraceutical has become the leading shareholder in Naturex. The Spanish multinational will consolidate its holding in its income account by the equity method (incorporation of the proportional part of Naturex's net profit as financial income) as of 1 January 2010. Natraceutical is to have two representatives on the Naturex Board of Directors, which is soon to be strengthened through the incorporation of an independent director.

Nutritional Complements Division

In 2010, the company estimates that Forté Pharma will return results in 2010 similar to those of 2008, when the company registered sales of € 57 million and EBITDA of € 7M.

Natraceutical will centre the growth of Forté Pharma on a greater penetration in markets outside France and a greater focus on the products in the "Health" range.

In this sense, Natraceutical estimates that France's weight in comparison to the other markets in which the company operates will decrease from 69% to 59.7% during 2010. In terms of the product portfolio, the company is to continue investing in the increase of the "Health" range against the

"Weight Control" range, which should facilitate penetration in Northern European markets, in which nutritional health complements concentrate around 80% of the market. Specifically, it is estimated that the "Health" range will increase its weight in total company sales from 21.2% to 29.5% in 2010.

In 2010, this strategic approach, on which the company has been especially concentrated during the last financial year, will help to materialize the seasonal adjustment of sales, leading to improved turnover during the second quarter before reaching a more lineal sales structure throughout 2011.

As a consequence of the economic crisis, the pharmaceutical channel may be expected to maintain a prudent approach to stock levels, leading to greater sales in the future during the campaign period, in detriment to the sales effected during the pre-order period.

Therefore, Forté Pharma estimates a progressive growth in sales as of the second quarter of the year, and especially during the second half, to end 2010 at the levels mentioned above.

Shareholding in Naturex

On 28 January, Naturex published its 2009 turnover. During this period, the company reached sales of 101.9 million Euros, representing a 9.4% increase over the turnover for the previous year. These results, in line with the positive development of Naturex's activity throughout the four quarters of the year, confirm the French multinational's ability to ensure solid growth as a reference company within the natural ingredients for the nutraceutical, food, pharmaceutical and cosmetics industries sector, despite the complex economic environment.

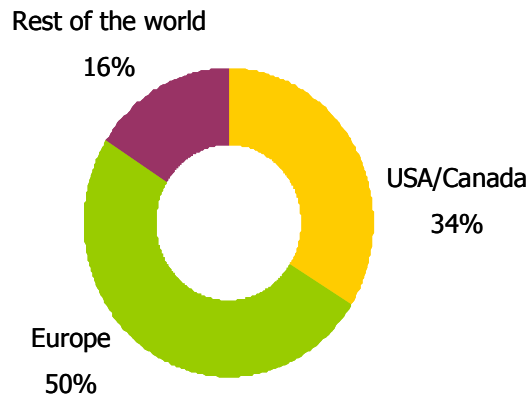
These results do not include the activity of the Natraceutical Ingredients Division, which was ceded to Naturex on 30 December 2009, a factor which only serves to reinforce the growth forecasts for 2010.

The merger of both businesses opens a wide range of joint growth opportunities for the companies, the result of a complete complementarity and multiple synergies. The complementary nature of the products is accompanied by the companies' respective strengths in different geographic markets and sectors of activity, as well as the possibility of improvement in operating margins by jointly benefiting from better raw material purchasing conditions and the centralization of the business management.

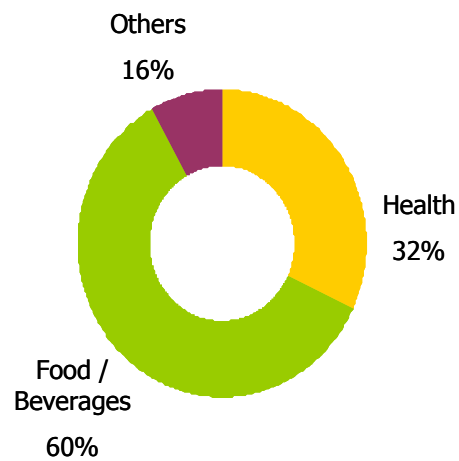
The company resultant from the merger will combine the strength of Naturex, strongly positioned in the U.S. and Canada, with that of Natraceutical, which has a strong presence in Europe. The new company will have production plants in Europe (Spain, France, Italy, UK and Switzerland), USA, Morocco, Australia and Brazil and its own commercial offices in Europe, USA and Asia.

Naturex's Ebitda/sales ratio has been around 17-18 % in recent years. The companies expect the above-mentioned synergies to facilitate the optimization, in the short-term, of Natraceutical's Ingredients Division's operational margins (traditionally situated around 10%) in order to enable the new Naturex to maintain its current levels of efficiency.

Geographical distribution of sales of the new Naturex



Breakdown of sales by the new Naturex by industries





4.- Consolidated Profit and Loss Accounts

	2009	2008
Going concerns:		
Net business turnover	134.919	161.019
+/- Variation of finished or in-process product stock	(2.284)	(3.972)
Provisions	(63.744)	(61.391)
GROSS MARGIN	68.891	95.656
Other operating income	528	805
Staff expenses	(27.181)	(28.172)
Depreciation allocation	(6.242)	(7.728)
Variation in operating allowances	(5.089)	(1.060)
Other operating expenses	(45.437)	(46.112)
OPERATING RESULTS	(14.530)	13.388
Results from fully consolidated companies		30
Financial earnings	1.554	586
Financial expenses	(10.055)	(7.763)
Currency exchange differences (income and expenses)	(370)	(110)
Non-current asset disposal results	(12.301)	(992)
Asset depreciation results	(7.814)	(375)
INCOME BEFORE TAX	(43.516)	4.764
Income Tax	(479)	750
RESULTS FROM GOING CONCERNS	(43.995)	5.514
Discontinued operations:		
Results from discontinued activities		(4.023)
YEAR'S RESULTS	(43.995)	1.491
SHARE PROFIT (BASIC AND INCORPORATED)	0,005	0,012

5.- Consolidated Balance Sheet to December 31, 2008 and 2009

The Balance Sheet to December 2009 contains the transaction with Naturex.

ASSETS	2009	2008
NON-CURRENT ASSETS:		
Goodwill	80.783	124.127
Other intangible assets	1.731	5.997
Property, plant and units	4.447	38.624
Investments recorded by applying the equity accounting method	71.108	663
Non-current financial assets	4.408	9.665
Deferred tax assets	12.618	13.733
Total non-current assets	175.095	192.809
CURRENT ASSETS:		
Stocks	4.647	36.006
Trade and other receivables	15.206	37.176
Other current financial assets	114	3.365
Current tax assets	5.497	3.505
Cash and other equivalent liquid resources	1.095	34.636
Total current asset	26.559	114.688
TOTAL ASSETS	201.654	307.497
EQUITY:		
Share capital	32.871	32.871
Share premium	103.494	103.494
Reserves (accrued earnings)	4.899	1.546
Reserves of fully consolidated companies	2.189	12.791
Reserves of companies consolidated with the equity method		135
Treasury stock	(4.883)	(7.551)
Exchange rate differences	(144)	(12.829)
Profit for the year allocated to Parent Company	(43.995)	1.491
Total equity	94.431	131.948
NON-CURRENT LIABILITIES:		
Long-term bank liabilities	36.050	62.127
Other long-term financial liabilities	2.814	9.992
Deferred tax liabilities	1.774	6.014
Long-term provisions	106	508
Other non-current liabilities	1.576	
Total non-current liabilities	42.320	78.641
CURRENT LIABILITIES:		
Bank liabilities	34.410	46.411
Trade and other payables	13.869	26.110
Provisions	362	172
Current tax liabilities	1.266	1.744
Other current liabilities	14.996	22.471
Total current liabilities	64.903	96.908
TOTAL NET ASSETS AND LIABILITIES	201.654	307.497

For further information:

Glòria Folch
 Inverstors Relation and Communication
 Tel. (+34) 93 584 81 87
 E-mail: gloria.folch@natraceuticalgroup.com