

Barcelona, May 9, 2017

RESULTS NOTE: FIRST QUARTER 2017

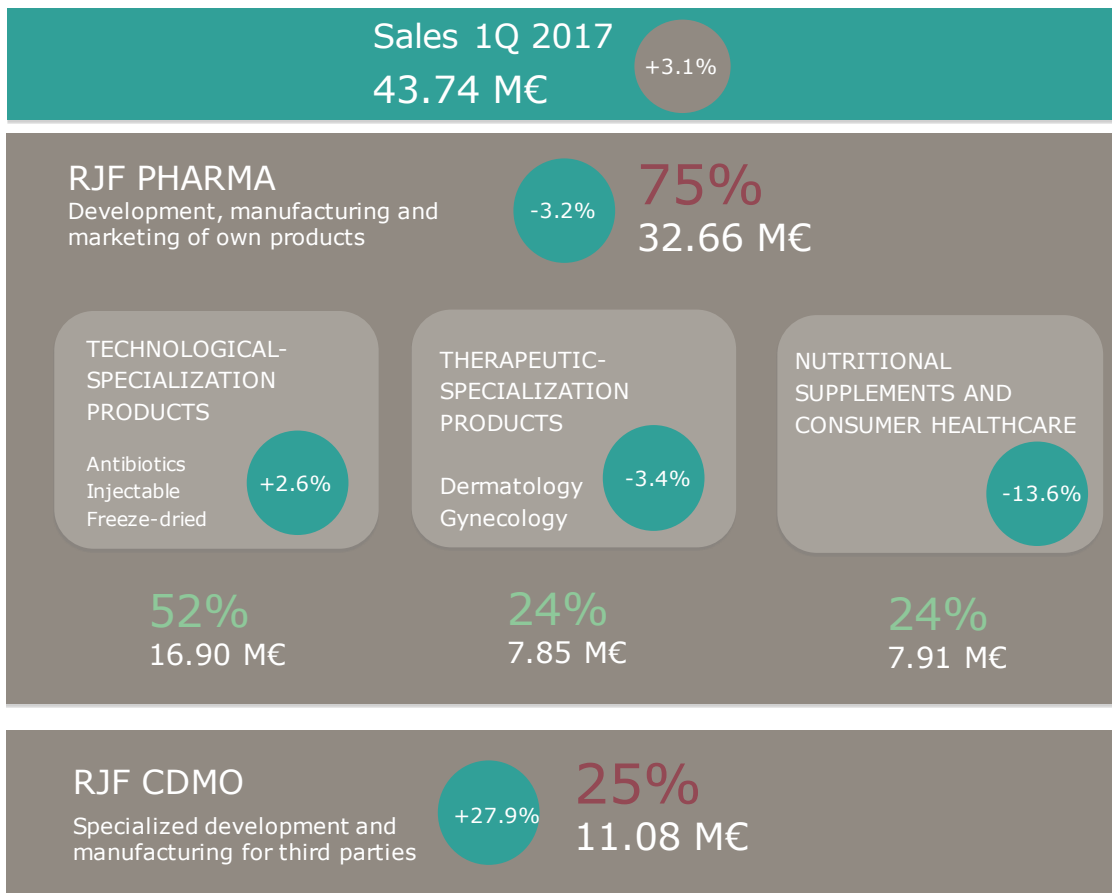
REIG JOFRE CLOSES THE FIRST QUARTER OF 2017 WITH GROWTH OF 6% IN NET PROFIT, UP TO 2.1 M€

- The company reached a turnover of € 43.74 M (+3.1%) and EBITDA of € 4.26 M (+3.7%).
- The improvement in the financial result and a reduction in the tax rate allowed Reig Jofre to increase its net profit by 5.8%, to € 2.08 M.
- Reig Jofre convened its Shareholders' Meeting for June 8, 2017, where it will submit the first dividend after the merger between Natraceutical and former Reig Jofre.

SALES EVOLUTION

Reig Jofre closed the first three months of 2017 with a **turnover** of 43.74 million euros, compared to 42.41 million euros in the first quarter of the previous year, a growth of 3.1%.

The company's own development area (RJF Pharma), representing at the end of March 75% of the company's total turnover, decreased sales in 3.2%, to 32.66 million euros compared to the same quarter of the previous year, mainly affected by the weak evolution of the nutritional supplements segment. The development and production services for other pharma companies (RJF CDMO), which contributed 25% of the quarter's sales, evolved positively by 27.9%, and set its turnover at 11.08 million euros, highlighting in this first quarter an excellent evolution of the services developed from the facilities of topical dermatological products that the company has in Sweden.



(*) Due to contract changes, in the first quarter of the year the company carried out a reclassification of sales of two products from RJF Pharma, which became part of RJF CDMO. Sales from these products were 0.58 million euros in the first quarter of 2016. The figures presented in the graph above include this reclassification for the two years, so that they are comparable.

By product categories, RJF Pharma's segment of technological-specialization products (antibiotics and injectable products) accounted for 52% of this division's sales and stood at 16.90 million euros turnover against 16.47 million euros in the same period of 2016 (+2.6%). The circumstances that affected the evolution of the antibiotic segment in 2016 (delays in the supply of raw material, mainly) showed signs of recovery in the first three months of 2017, and this trend is expected to continue throughout the year.

Sales of therapeutic-specialization products in the areas of dermatology, respiratory and gynecology stood at 7,85 million euros, 24% of the total RJF Pharma division, with a decline of 0.27 million euros (-3.4%) compared to data from March 2016. This was mainly attributable to the dermatology segment, but without any cause



that makes predict a change of trend in a traditionally growth segment for Reig Jofre.

Finally, the segment of nutritional supplements and consumer healthcare contributed 7.91 million euros to this division's sales, 24% of the total, and showed a contraction of 13.6%.

Reig Jofre is working from different angles to modify the trend of its segment of nutritional supplements, in a plan that is expected to give some positive outcome throughout this year.

OPERATIONAL BUSINESS EVOLUTION

The increase in turnover of 3.1%, coupled with an improvement in the gross margin, which rose from 60% to 63%, enabled the company to set its **EBITDA** at 4.26 million euro, an increase of 3.7% compared to the same period of the previous year, despite an increase in operating- and personnel expenses.

Following an improvement in the financial results (mainly due to the positive effect of exchange differences) and a corporate tax estimation of 15% (18% in the first quarter of 2016, adjusted to 13% at the end of 2016), the company's **net result** stood at 2.08 million euro, 5.8% higher than the first quarter of 2016.

Reig Jofre has got capitalised tax credits amounting to 11.66 million euro, so the effective tax rate at year-end is expected to be around 10%-12%.

At the end of the first quarter, net financial debt stood at 27.61 million euros which represents 1.7 times 2016 EBITDA. The calculation of net financial debt does not consider financial incomes due on June 30, 2017, amounting to 8.5 million euros.

FIRST DIVIDEND AFTER THE MERGER BETWEEN NATRACEUTICAL AND REIG JOFRE

Reig Jofre convened its Shareholders' Meeting for next June 8, 2017, where it will submit to approval, among others, the first dividend after the merger between Natraceutical and former Reig Jofre.

As per the company's will to initiate a shareholder remuneration policy, which is in turn compatible with ongoing growth projects, the board of directors of Reig Jofre will submit to the Shareholders' Meeting approval a scrip dividend, allowing Reig Jofre's shareholders to receive, if they so wish, shares issued by the company, but



without limiting their possibility of receiving in cash an amount equivalent to the payment of the dividend, if that is their total or partial choice.

To that end, the board of directors shall submit for approval of the Shareholders' Meeting a capital increase for a maximum of 1 million shares of Reig Jofre, representing 1.5% of the company's share capital.

Following the approval, if applicable, of such dividend by the Shareholders' Meeting, the board of directors shall approve its execution, as well as all the operational details thereof, at which time a new Relevant Fact will be issued with all details concerning amount, deadlines and procedure.



PROFIT AND LOSS ACCOUNT OF THE FIRST QUARTER OF 2017

(in euro)	1Q 2016	1Q 2017	Evol.
Turnover	42,411,126	43,739,422	3.1%
Changes in inventories	262,334	-1,104,479	
Work carried out for fixed assets	0	1,137,814	
Procurements	-17,253,628	-16,151,946	
Gross margin	25,419,832	27,620,811	
% turnover	60%	63%	
Other operating income	7,857	516,078	
Personnel expenses	-11,317,771	-12,379,739	
Other operating expenses	-10,003,860	-11,500,489	
EBITDA	4,106,058	4,256,662	3.7%
% turnover	10%	10%	
Depreciation and amortization	-1,355,281	-1,589,588	
Government grants for non-financial assets and others	0	0	
Impairment and results on disposals	0	0	
Operating income	2,750,777	2,667,073	-3.0%
% turnover	6%	6%	
Financial income	25,038	40,476	
Financial expenses	-260,049	-274,503	
Variation in fair value of financial instruments	0	0	
Impairment and results from disposal of financial instruments	0	5,552	
Exchange differences	-116,808	8,936	
Impairment losses from entities accounted by the equity method	0	0	
Results from entities accounted by the equity method	0	0	
Profit before taxes	2,398,959	2,447,534	2.0%
% turnover	6%	6%	
Income tax	-431,813	-367,130	
Net result	1,967,146	2,080,404	5.8%
Profit attributable to parent company	1,963,971	2,078,348	
Profit attributable to non-controlling interests	3,175	2,056	



BALANCE SHEET ON MARCH 31, 2017

<i>(in euro)</i>	31/03/2016	31/03/2017
ASSETS		
Non-current assets		
Goodwill	25,063,416	27,960,391
Other intangible assets	33,658,276	31,720,256
Property, plant and equipment	29,882,316	40,623,747
Available-for-sale assets	10,287,573	1,167,058
Non-current financial assets	0	590,575
Deferred tax assets	15,320,461	11,664,004
TOTAL NON-CURRENT ASSETS	114,212,041	113,726,031
Current assets		
Inventories	23,649,972	30,790,306
Trade and other receivables	36,722,728	37,373,638
Current tax assets	0	3.163
Other current financial assets	829,442	10,848,029
Other current assets	6,165,939	4,836,869
Cash and cash equivalents	9,261,691	4,003,877
TOTAL CURRENT ASSETS	76,629,771	87,855,882
TOTAL ASSETS	190,841,812	201,581,913
EQUITY AND LIABILITIES		
Equity		
Share capital	126,428,441	31,607,110
Reserves	4,994,793	103,496,218
Treasury shares	-4,992,219	-2,111,264
Interim dividend paid during the year	0	0
Profit attributable to the parent company	1,963,971	2,078,348
Exchange differences	137,519	(167,916)
Other comprehensive income for assets available for sale	8,978	(19,039)
Other items of equity	0	638,193
Equity attributable to parent company	128,541,484	135,521,650
Non-controlling interests	-4,342	-14,908
TOTAL EQUITY	128,537,142	135,506,742
Non-current liabilities		
Capital grants	102,496	157,692
Provisions	1,070,453	613,531
Financial liabilities with credit institutions	4,230,355	11,365,643
Financial lease liabilities	5,689,939	5,098,087
Derivative financial instruments	273,998	0
Other financial liabilities	5,188,826	6,383,017
Deferred tax liabilities	3,707,565	3,372,787
TOTAL NON-CURRENT LIABILITIES	20,263,633	26,990,756
Current liabilities		
Provisions	280,748	189,071
Financial liabilities with credit institutions	9,285,700	6,371,127
Financial lease liabilities	577,364	592,771
Short-term derivative financial instruments	0	101,110
Other financial liabilities	796,141	1,846,808
Trade and other payables	26,665,821	26,181,520
Current tax liabilities	570,119	372,943
Other current liabilities	3,865,144	3,429,065
TOTAL CURRENT LIABILITIES	42,041,037	39,084,414
TOTAL EQUITY AND LIABILITIES	190,841,812	201,581,913



About Reig Jofre

Founded in Barcelona in 1929, Reig Jofre is a multinational pharmaceutical company with activity structured around two major axes: the main one, own-product manufacture and marketing (RJF Pharma, 80% of total sales) and a complementary one, development and manufacture for third parties (RJF CDMO, 20% of total sales). In its main activity, the company focuses on developing specialised technological products (antibiotics and solutions for injection); specialised therapeutic products for the dermatology, gynaecology and respiratory fields; and dietary supplements and consumer healthcare. The company focuses its R+D activity on developing new indications and/or pharmaceutical forms using known active substances, generic medicines with a particular focus on beta-lactam antibiotics and solutions for injection, topical dermatological products, OTCs and dietary supplements, and in addition develops new innovative molecules in partnership with start-ups and research centres.

Reig Jofre has over 900 employees, 4 development centres and 3 production centres in Europe, direct sales in 6 European countries and over 130 business partners in 63 countries across the world. The company closed 2016 with a turnover of 161 million euros.

Reig Jofre is listed on the Spanish Stock Exchange under the ticker RJF. Reig Jofre is listed on the Spanish Stock Exchange under the ticker RJF. Share capital: 63,214,220 shares.

For further information:

Investors and analysts

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