ANNUAL REPORT 2013

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ROVI

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Juan López-Belmonte López
Chairman

For yet another year I have the pleasure, as Chairman of ROVI, to highlight the results obtained in 2013 and the fact that our market value has protected our shareholders' capital.

We hope this year 2014 will be the last one of the economic crisis, which has transformed Spain and other European countries. We are confident with the growth of our country, that in these early months is showing signs of being able to exceed 1,1% in terms of GDP, transferring this growth to the domestic demand, and that, with the announced reforms, promised by the Government, will help to achieve a GDP growth of 1,9% by 2015.

We, the people who have opted for ROVI: shareholders, employees, suppliers… have the good news, that, once again, balances show the figures and the relevant facts that have occurred along the year, and, as it should be, are signed and approved by our auditors, without exceptions.

The level of employment of ROVI along this year has increased by 9% compared to the previous year, with a total workforce of 981 employees. It must be stressed that turnover is 218.9 million Euros, with a net profit of 23.0 million Euros, with a sales increase of 8% over the previous year. As you already know, the figures of the first quarter of the current year 2014, have been excellent and within our forecast.

My duty as President is to ensure our accounts honestly to all our directors, employees, shareholders and suppliers. To do this, we have incorporated years ago the highest level in practices, principles and recommendations and the best corporate governance practices and internal monitoring systems of financial information.

Particularly, the Company constantly monitors and controls the recommendations of the Unified Code of Good Governance of Listed Companies (the "CUBG") published by the Spanish National Stock Market Commission and the indicators proposed by this Commission to guide description for the preparation of Internal Control over Financial Reporting (SCIIF), and the results are reported in the Annual Report of Corporate Governance, published yearly by the Company. The Company considers these practices as a system to generate value and security for its shareholders.

We cannot forget that the years of crisis have been six: tough years. During this period, the turnover of ROVI has been excellent, together with the profits, meeting our expectations and granting a dividend to the shareholders. Our shares have remained stable, coming back to the previous value of 9 Euros, exceeding the flotation price. In this devastating scenario that suffers the Spanish economy, ROVI keeps obtaining profits despite the difficulties in the Pharmaceutical sector.

In the Spanish pharmaceutical industry, the various measures taken by the last two governments have been harsh, reducing the NHS's pharmaceutical spending in prescriptions during the period 2010-2013 in a 27.6% (3,505 million Euros), leaving the market at the same levels than in year 2004. To this market reduction we have to add an additional discount of 7.5%/15% that the innovative products have to credit back to the Government to help with deficit sustainability.

ROVI is 22nd in the ranking of prescription products (IMS of March 2014, values), with a positive growth that will allow us to keep climbing positions. To our marketing and sales success in Spain and abroad, we have to add the success of our net profit: this year we have exceeded in 18% the previous year.

I would also like to highlight from past year 2013 the fact that we have renewed the highest rating in Profarma Plan, a joint program scheme from the Ministry of Industry and Commerce, the Ministry of Health and Social Policies and the Ministry of Science and Innovation for the promotion of competitiveness in the Pharmaceutical Industry. This is like the roll of honour of the Spanish Pharmaceutical Industry that can only be accessed by companies performing the following activities:

- Investigation;
- National manufacturing; and
- Export.

Economic news highlight that Spanish trade balance is favourable. This is so because Spanish companies have focused in exporting. According to the CEOE, in the year 2000 there were 60,000 companies exporting; in 2013, the number of companies exporting has grown up to 160,000. In the pharmaceutical case, exports are more complicated. The register has to be validated in each country, except in Europe, and, in many cases, some clinical trials have to be repeated. Timings in this industry are longer. In most cases it takes years, sometimes up to 8-9 years, to obtain a sanitary permit. Saying this, I re-state that this is not a circumstantial action, but a strategy that has been designed years ago, and as a result ROVI is currently present in 57 countries. Our products are all manufactured in our three plants, all of them based in Spain.

The industry in Spain has decreased to positions of less than two digits in relation to the GDP. This decline is due, among other reasons, to the loss of many SMEs in the industrial network and, currently, the industrial fabric is formed by dynamic sectors, like the pharmaceutical, the petrochemical or the automotive ones, where most companies are multinationals and, according to the CEOE, 90% of companies entering into an insolvency procedure, disappear. This is a very serious problem of industrial deficit that we are aware is concerning the Ministries of Industry and Health. There are progressively fewer manufacturing plants and more finished product is imported, a matter that should be in mind of the authorities in Economy and Health, distinguishing companies like ROVI, that have committed ourselves to our country, creating employment and patents on behalf of the Kingdom of Spain, and we request from the Government further consideration to this business model.

In the current circumstances of the country, the grants for innovation have been reduced and this is a big mistake, because if we do not research we do not export. Exportation is a result of added value and this added value is the result of innovation. Innovation cannot be interrupted or improvised, among other reasons because its most important component is human talent, people trained in our universities, with a high cost for our society, people that need to work and if they don't they will go abroad.

These difficulties are not new, as have been happening for the last five years, and if the crisis goes on for a period of time, we are going to find ourselves in a critical situation for research.

Therefore, in these times, the European Community is launching "Horizon 2020" program, aiming to reduce industrial and innovation deficit in relation to the USA. The project is worth 78,000 million Euros, and ROVI is bidding to take part of it.

In ROVI we commit ourselves to innovation and hope it will pay off. Although still early, we hope that it will give us higher revenue from exports.

I would like to appeal from here the Ministries of Health and Economy. To the Ministry of Health to continue assessing and recognizing patents coming from innovation, that in our case is of Spanish origin. To the Ministry of Economy, to continue giving value to the companies like us, that manufacture in our country and register patents in name of the Kingdom of Spain. I would ask them to keep acting as the engine.

Finally, I would like to express my deep appreciation and gratitude because of the huge effort of the almost 1,000 people that form ROVI today. Their enthusiasm and commitment to our mission have been the drivers of the Company, and are, with no doubt, the best guarantee that the year 2014 will be again a year of growth and success for us. I would also like to thank shareholders for their loyalty and trust in ROVI and its Board of Directors.

ROVI in 2013

Main numbers

2013 was a very positive year for ROVI…

- Results in line with strategic targets.
- Significant increase in sales of prescription-based pharmaceutical products (**14%**), driven by the strength of Bemiparin®, our flagship product, with sales up **20%**.
- Market share of Bemiparin at **26%** in Spain.
- Launch of Bemiparin in **4** new countries.
- Obtaining of the Bemiparin registration approval in China at the beginning of 2014 and probably beginning of its commercialisation in the Chinese market by the end of the year.
- **1** new launch of an **own product**:
  - Exercise of the purchase option held by ROVI over Rhodogil® in Spain, which was owned by Sanofi.
- **2** new launches of **in-licensed products** for its exclusive commercialisation in Spain:
  - Medicebran® and Medikinet®, both products owned by Medice and indicated for the treatment of ADHD (Attention Deficit Hyperactivity Disorder) in children and teenagers.

- Agreement to market **2 new products** of Novartis, Hirobriz® Breezhaler® and Ulunar® Breezhaler® in Spain. Both products are inhaled bronchodilators for patients with respiratory difficulties due to a pulmonary disease known as Chronic Obstructive Pulmonary Disease (COPD).

• Excellent performance of the last products launched:

- Sales of Vytorin® and Absorcol®, the first of the five licenses of MSD, launched in January 2011, increased by **43%** to **17.6** million euros in 2013.

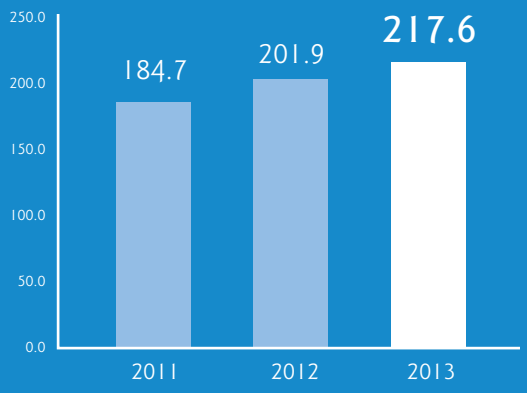
- Sales of Corlentor®, a specialty product for stable angina and chronic heart failure from Laboratoires Servier, rose **31%** to **12.0** million euros in 2013.

• Dividend proposal of **35%** of consolidated net profit for 2013 at the General Meeting of Shareholders.

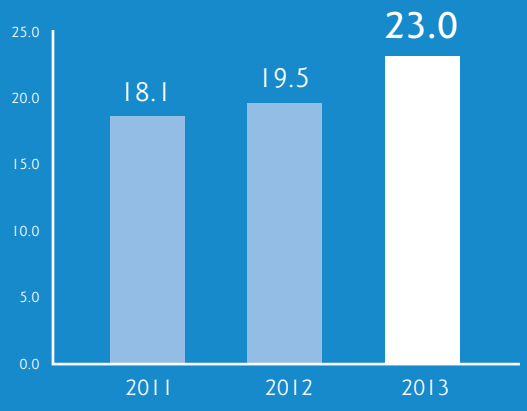
- Payment of a gross dividend of **0.1612** euros per share on 2013 earnings. This proposed dividend would mean an increase of **18%** compared to the dividend on 2012 earnings.

...which delivered

Operating revenue of **217.6** million euros
Growth of **8%** in 2013



Net profit of **23.0** million euros
Growth of **18%** in 2013



ROVI in 2013

2013, the year in headlines

January

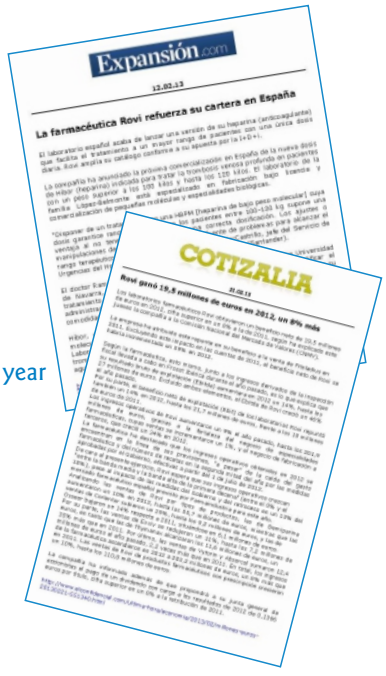
'SNC_Integra', technology for nerve disease (neuropathy)
Diario Médico
7th of January, 2013

February

The pharmaceutical Rovi strengthens its portfolio in Spain
Expansión
12th of February, 2013

Rovi earned 19.5 million Euros in 2012, 8% more than last year
Cotizalia
21st of February, 2013

Rovi strengthens its manufacturing plant in Granada to extend its business to the United States
Granada Hoy
26th of February, 2013



March

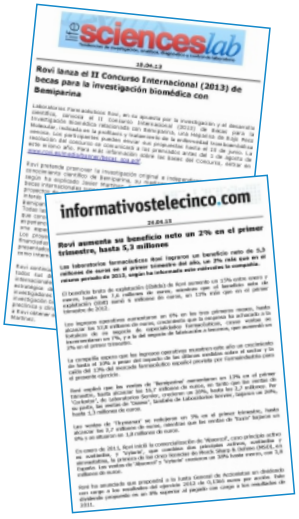
Six Spanish companies in the "top ten" of R&D
EcoSanidad-El Economista
7 of March, 2013

"Were are open to any proposal"
Investments strategies
7th of March, 2013


Rovi y la UGR se alían para impulsar la I+D y el conocimiento

Rovi and the UGR team up to encourage R&D and knowledge
Granada Hoy
9th of March, 2013

April



Rovi: strengthens its contract manufacturing business
EcoSanidad-El Economista
4th of April, 2013

Rovi avoids copayment and rises a 30% in the Stock Market in 2013
Expansión
10 of April, 2013

Rovi launches the II International Course (2013) of grants for biomedical research of Bemiparin
lifeScienceslab
10th of April, 2013

Rovi increases its net profit by 2% in the first quarter, up to 5.3 millions
Informativos Telecinco.com
24th of April, 2013

May

The Association of Entrepreneurs of the Henares Corridor rewards the plant of Frosst Ibérica for its commitment with the Environment
RSE Commitment
6 of May, 2013

Ivabradina in the standard therapy provides additional benefits in heart failure
El Economista
8th of May, 2013

June

Rovi will market in Spain Rhodogil from Sanofi
Expansión
7th of June, 2013

Rovi increases its revenue by 9% in 2012
Diario Médico
13th of June, 2013

Rovi approves its only retribution from the year: will pay an 8% more in July
El Economista
14th of June, 2013


elEconomista.es

14.06.2013

Rovi aprueba su única retribución del año: abonará un 8% más en julio

El sector farmacéutico se ha ganado el afecto de gestores e inversores que buscan dividendos crecientes y, como mínimo, estables. Las retribuciones de telecos y utilities, en muchos casos recortadas y canceladas, siguen rodeadas de peligros ante el elevado endeudamiento de muchas de estas compañías.

Es aquí donde sacan su fortaleza las farmacéuticas. **Poca deuda y generación de caja les permiten mantener el dividendo e incluso permitirse el lujo de mejorarlo.**

Dejando a un lado gigantes del sector como Novartis, Roche, Sanofi o GlaxoSmithKline, que están elevando su pagos, en la bolsa española también hay un tesoro para los cazadividendos a les que le interese el sector. **Rovi ha aprobado esta semana en su junta de accionistas el aumento de un 8% en el único dividendo que reparte durante el año.**

La compañía distribuirá 0,1366 euros por acción el próximo 3 de julio, frente a los 0,1269 euros que abonó el año pasado. **Esta entrega se incorpora al EcoDividendo, la estrategia de elEconomista que recoge los pagos cercanos más interesantes de la bolsa española, para sustituir a Duro Felguera, que el viernes retribuyó a sus accionistas con 0,10 euros.**

Rovi entra al EcoDividendo no solo por el atractivo de su remuneración, sino porque además cuenta con una buena recomendación por parte de los bancos de inversión. **El consenso de mercado, que FactSet recoge en este caso a partir de una decena de analistas, aconseja comprar el título.**

Margen de subida

Rovi también cumple una de las características que más se aprecia en estos momentos a la hora de valorar una retribución: no tiene problemas de deuda que compliquen la política en el largo plazo. Su constante crecimiento le ha permitido tener "un apalancamiento moderado y contar con tesorería", explicaba hace unas semanas Javier López-Belmonte, director financiero de la farmacéutica española.

Este año el consenso de mercado espera que su deuda neta sea de 5,5 millones de euros, frente a los casi 32 millones de beneficio bruto (ebitda) previstos.


Expansión.com

07.06.13

Rovi venderá en España el Rhodogil de Sanofi

Laboratorios Rovi ha firmado un acuerdo con la farmacéutica francesa ... ejercitar su opción de compra y poder comercializar en España ... combinación de antibacterianos Rhodogil. Este medicamento ... gran cantidad de gérmenes, sobre todo los relacionados ... cavidad bucal, como son las infecciones dentales. ...

EMPRESAS

Rovi incrementa un 9% sus ingresos en 2012

La fabricación a terceros y las exportaciones siguen siendo claves en la evolución de la compañía española

July

Rovi launches 'Nitview Ledcomb', a system to locate and extract nits and leads by LED light
Europa Press
9 of July, 2013


europapress.es

09.07.13

Tanto en cabello húmedo como seco y con poca luz

Rovi lanza 'Nitview Ledcomb', un sistema para localizar y extraer piojos y liendres mediante luz LED

Los laboratorios Rovi han lanzado al mercado 'Nitview Ledcomb', un sistema para la localización y extracción efectiva de piojos y liendres tanto en cabello húmedo como seco y con poca luz, mediante una linterna de luz LED, reduciendo así el uso de productos químicos pediculicidas y las recidivas posteriores.

"En la pediculosis la única medida preventiva efectiva es el examen visual regular de la cabeza, nuca y zona posterior de las orejas. Para ello, la mejor opción es la combinación de una pediculicida y una lendrera, tiempo y paciencia. La extracción mecánica siempre debe acompañar a los pediculicidas en el tratamiento de la pediculosis ya que permite eliminar eficazmente piojos y liendres sin dañar el cuero cabelludo de los niños", ha comentado la especialista en Parasitología y profesora en el Facultad de Biología y de Medicina de la Universidad de Alcalá, Consuelo Giménez Pardo.

En este sentido, la tecnología que utiliza 'Nitview Ledcomb' mejora la visualización de piojos y liendres facilitando su localización y diferenciándolos de la caspa. De hecho, las púas microacanaladas favorecen una extracción más eficaz, sin dañar el cabello, pudiendo utilizarse esta tecnología tanto en la prevención de la pediculosis como en el control del post-tratamiento.

Asimismo, el sistema incorpora una linterna ultra LED que emite una longitud de onda específica que es absorbida por la quitina de piojos y liendres, iluminándola de forma fluorescente.

Según datos del Instituto Nacional de Estadística, correspondientes al curso 2010-2011, un millón de niños en edad escolar sufre pediculosis cada año en España, especialmente en el inicio del curso escolar.


invertia

31.07.2013

Farmacéutica Rovi gana 7% pct más en primer semestre

MADRID, 31 jul (Reuters) - El laboratorio farmacéutico Rovi dijo el miércoles que su beneficio neto subió un 7 por ciento hasta 13,8 millones de euros en el primer semestre de 2013.

El negocio se mostró sólido durante este periodo, con un crecimiento del resultado operativo bruto del 15 por ciento a 18,4 millones de euros y del 54 por ciento en los ingresos operativos hasta casi 110 millones de euros, destacando el incremento del 8 por ciento en las ventas de su anticoagulante estrella bemiparina.

Rovi reiteró que para este año espera un crecimiento de los ingresos operativos de entre el 5 y el 10 por ciento "a pesar del impacto del último paquete de medidas introducidas por el Gobierno y de la caída del mercado farmacéutico español del 12% esperada por Farmaindustria". (Información de Robert Hetz, editado por Carlos Castellanos)

Pharmaceutical company Rovi earns 7% more in the first half
Invertia
31st of July, 2013

August


VALORES DESTACADOS

Rovi marca máximos desde 2008

Laboratorios Farmacéuticos Rovi encajó ayer su quinto avance consecutivo. Subió el 0,26%, hasta los 7,72 euros, su nivel más alto desde 2008. Mercavalor fue el bróker más comprador y Deutsche Bank el mayor vendedor. Muchos inversores han buscado refugio en la farmacéutica ante las inclemencias en los mercados. Pero es una compañía que convencía también antes, por sus buenos resultados, y en 2013 acumula una revalorización del 45,66%.

Rovi marks its maximum value since 2008
Expansión
29 of August, 2013

September

Laboratorios Rovi gets a positive report
Capital Bolsa
20th of September, 2013

Rovi revolutionizes nit combs with a new LED lighting system
El Global
30th of September, 2013


CapitalBolsa

19.09.13

Laboratorios Rovi consigue un informe positivo

Bankia Bolsa eleva precio objetivo a 8,6 euros

Los analistas de Bankia Bolsa han revisado la valoración a EUR 8,6/acc. Atendiendo a: los ajustes realizados en ... (EUR -0,35/acción), el ajuste en la caja por la venta de activos financieros ... el ajuste por el roll-over (+0,25/acc.) e incorporando ... opción de MSD (odanacatib), con una probabilidad del 85% (EUR 0,8/acc).

Análisis Bankia Bolsa

Hemos ajustado a la baja ...

EL GLOBAL.net

30.09.13

MEDICAMENTOS PUBLICITARIOS /

Rovi revoluciona las liendreras con un nuevo sistema de iluminación LED

Reduce el uso de productos químicos pediculicidas y las recidivas posteriores

Rovi ha lanzado al mercado Nitview Ledcomb, un sistema para la localización y extracción de piojos y liendres tanto en cabello húmedo como seco y con poca luz, mediante una linterna de luz LED, reduciendo así el uso de productos químicos pediculicidas y las recidivas posteriores. "En la pediculosis la única medida preventiva efectiva es el examen visual regular de la cabeza, nuca y zona posterior de las orejas", asegura la especialista en Parasitología y profesora en el Facultad de Biología y de Medicina de la Universidad de Alcalá, Consuelo Giménez Pardo.

Para ello, según indica, la mejor opción es la combinación de una pediculicida y una liendrera, tiempo y paciencia. "La extracción mecánica siempre debe acompañar a los pediculicidas en el tratamiento de la pediculosis ya que permite eliminar eficazmente piojos y liendres sin dañar el cuero cabelludo de los niños", señala.

La novedosa tecnología que utiliza Nitview Ledcomb mejora la visualización de piojos y liendres facilitando su localización y su extracción, diferenciándolos de la caspa.

October


CapitalMadrid.com

Rovi, el I+D y el pago a proveedores

Rovi, R&D and payment to suppliers
Capital Madrid
24th of October, 2013

November


"Tenemos un 40% de ingresos fuera y el año que viene entramos en Brasil"

Rovi rises its sales 16% in Spain despite market downturn
El Economista
8th of November, 2013


Empresas & Finanzas

Rovi sube un 16% sus ventas en España pese a la caída del mercado

REUTERS ESPAÑA

La farmacéutica Rovi gana un 12% más en los primeros nueve meses

The Pharmaceutical Rovi earns 12% more in the first nine months
Reuters España
8th of November, 2013

"We have 40% of our revenue abroad and next year we are going into Brazil"
El Economista
11th of November, 2013

December

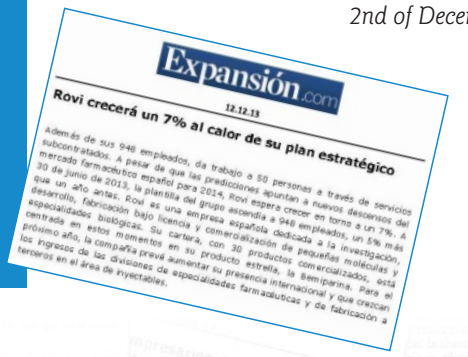

FARMACOLOGÍA

EMPRESAS

Rovi incorpora 4 fármacos para EPOC e hiperactividad

Ferrer segmenta con Janus su I+D temprana para ganar en eficiencia

Rovi incorporates 4 drugs to treat COPD and hyperactivity
Correo Farmacéutico
2nd of December, 2013


Expansión.com

Rovi crecerá un 7% al calor de su plan estratégico

Rovi will grow 7% with the implementation of its strategic plan
Expansión
12th of December, 2013


GRANADA

Rovi triplica la capacidad de la planta del PTS para abrir el mercado a EEUU

Activities report

R&D

ROVI, committed to research

During the 20th and 21st centuries, the so-called "knowledge society" has displaced the former model of industrial society. While in the past the wealth of countries was generated by large farms and huge factories, nowadays national wealth systems, among others, from the research and innovation carried out at small or large technological centres that each contribute with their achievements to the increased productivity of their respective economies.

It is clear that the countries with the greatest growth are those where companies have been successful and have been able to generate added-value products that are then exported to the rest of the world.

This has led us to the conclusion that the companies that operate successfully in modern society are those that are rich in knowledge. Today, the success of companies is based above all on the achievements of their industrial research and innovation.

ROVI is a company that is committed to research. Its success can be clearly seen in the extraction of the first second generation low molecular weight heparin, Bemiparin (HIBOR®), currently present in 51 countries.

In view of ROVI's research commitment, it is essential to protect any inventions that might arise in the course of this research and this protection is mainly achieved through the patent system.

The generation of patents titles and industrial know-how is a clear reflection of the innovative work carried out by ROVI. The laboratory currently has a solid patent portfolio, comprising more than 130 granted patents and over 40 pending applications.

Our innovative approach

ROVI has always stood out for our highly defined approach to innovation and our commitment to investment in research, as we believe that the future of the company depends on carrying out these activities. Research and innovation are essential and strategic in order to compete in the modern market, and are crucial in order to differentiate ourselves from other companies in the sector.

With this in mind, ROVI has two R&D&I centres following the recent creation of a new research centre covering more than 1,300 m^2 located in the Parque Tecnológico de las Ciencias de la Salud de Granada, the most important Spanish Biopharmaceutical cluster.

Since 2006, ROVI has been present in the creation of major national research consortium. In 2006, the research activities of the NANOFARMA Consortium began as part of a large biomedicine project focused on research into controlled drug release within the framework of the CENIT programme (the Spanish National Strategic Consortium for Technical Research), an initiative of the current government included within the "Ingenio 2010" Programme.

ROVI continues being actively present in other consortiums and national plans, including CENIT CEYEC Consortium and, in 2011 and 2013, as consortium leader of SNC INTEGRA and ADELIS, respectively (both framed in the FEDER Interconnecta Program) and the PROFARMA National Plan, aimed to promote R&D&I in the Pharmaceutical Industry, which has earned for ROVI, continuously since 2006, the "EXCELLENT" qualification, a recognition award to the continuous investment effort in R&D&I

Our research

1.- DRUG DELIVERY TECHNOLOGIES

One of the most important stages in the development of a drug is the study of how it should be administered. The right administration has a direct effect on the drug's efficacy, as it influences factors such as its pharmacokinetics, pharmacodynamics, safety, immunogenicity, and bio-recognition of the drug, among others. On the other hand, investigation in this field also enables the minimization of certain factors such as factors as degradation of the active substance, what allows the prevention of side effects and increases the bioavailability of the drug in the body.

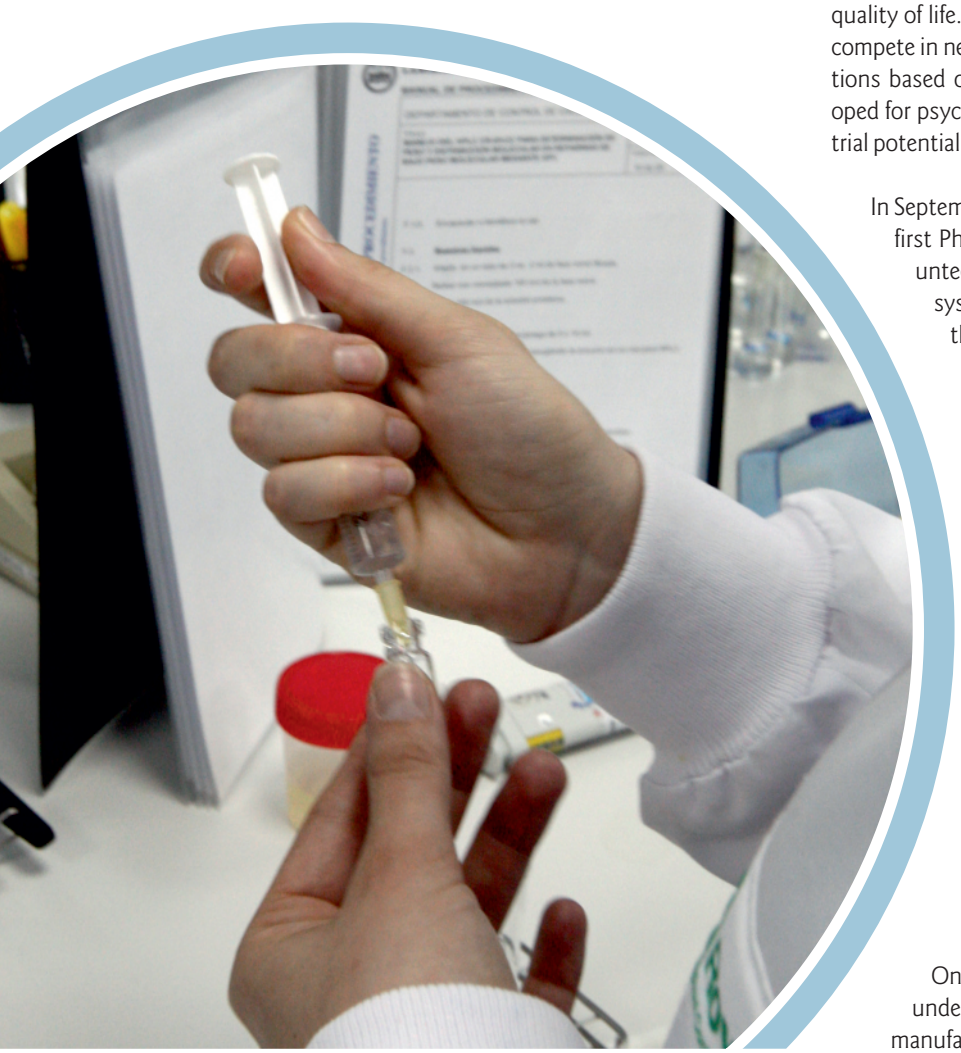
ROVI has developed a leading-edge research line in the field of prolonged release or depot systems, by using the ISM® technology. This technology is based in the formation of "in situ" forming implants for long-term release of drugs.

1.1. Extended release systems: ISM®
(In Situ Microparticles system)

In situ forming systems (ISM®) have emerged as a very attractive possibility for the extended release of bioactive macromolecules.

Over the last few years, the development of the ISM® technological platform has been very fast and has made it possible for depot formulations to become a scientific fact. A depot injection is generally a subcutaneous or intramuscular injection of a pharmacologically active agent that releases the active substance in a constant flow over a long period of time.

Our ISM® technology is based on a solid and stable polymeric matrix system of drug, excipients and solvent. The product is reconstituted before administration to an injectable fluid that precipitates in situ (inside the body) after the injection, resulting in the formation of solid/semisolid implants, by solvent diffusion to body fluids.



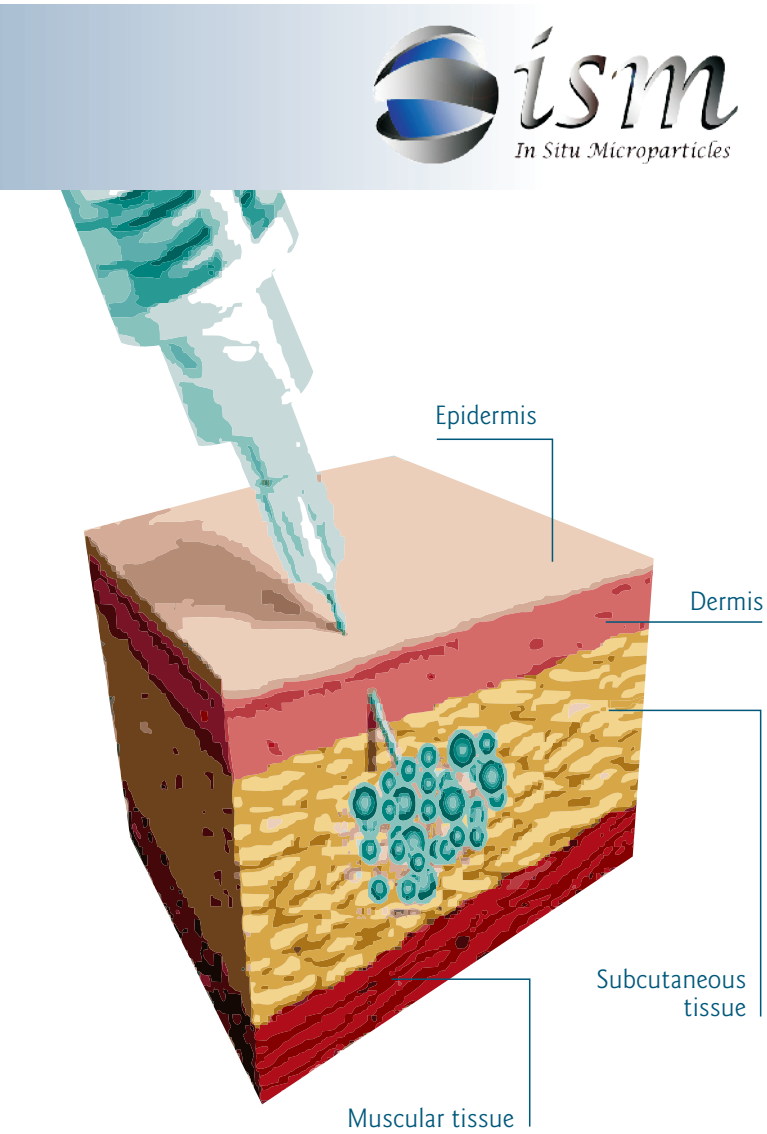
ISM® technology overcomes most of the current difficulties associated with the oral and parenteral extended release formulation combining the advantages of existing technologies such as preformed microparticles and implants. Our technology allows the extended delivery of compounds administered by parenteral via with the following key advantages: less variability, enhanced stability, rapid reconstitution and easier injectability, making it easier for the patient to follow the prescribed treatment.

Our ISM® systems have the following advantages over technologies existing in the market: (I) easy administration as it is less painful, (II) zero-order kinetics, (III) reduction of the burst effect in drug release and greater reproducibility in the release profiles, (IV) highly effective encapsulation, (V) high performing process and, finally, (VI) improvement in the stability of the active substance.

The establishment of this novel field of research in ROVI arose from the interest showed by the company in the development of formulations with the aim of allowing periodic administration of formulations which are administered daily in chronic and prolonged treatments, improving the patient's quality of life. This novel approach allows ROVI to enter and compete in new therapeutic areas. Extended release formulations based on ISM® technology are currently being developed for psychiatric and oncologic drugs due to their industrial potential and commercial and sanitary interest.

In September 2010, the experimental stage began for the first Phase I trial of Risperidone-ISM® on healthy volunteers, the first candidate for this drug delivery system. This first trial aimed mainly to evaluate the pharmacokinetics and the tolerability of a single intramuscular administration of risperidone in an ISM® formulation. This trial has served not only to confirm this innovative depot formulation for the monthly administration of a recognised anti-psychotic the pharmacokinetic profile, but also it has served as proof of concept for validating ISM® technology as a technological platform for future pharmacological candidates. In this regard, two new formulations with ISM®, for the monthly administration of another widely used anti-psychotic (paliperidone), and for the quarterly administration of a recognised aromatase inhibitor (letrozole) that is currently used extensively on the treatment of hormone-dependent breast cancer, are already in an advanced pre-clinical phase.

On the other hand, during 2012 and 2013, ROVI undertook important investments in order to build a manufacturing plant for new medicines in Madrid,



using the ISM® technology, which will be equipped with a very innovative, and unique in its class, machinery for filling solid compounds in syringes under good manufacturing practices. Thanks to these new facilities, ROVI will be prepared to supply with quality and agility the needed samples for carrying out the clinical trials within the next years, and in the future, the industrial production of commercial batches.

1.2. Clinical research: ISM® (In Situ Microparticles system)

ROVI has already initiated the research program with this technological platform for some compounds and currently there are several projects on different development phases:

- **Risperidone ISM®**: in 2010, the clinical testing stage began for the first Phase I trial of Risperidone ISM® on healthy volunteers and finished by the end of the first quarter of 2011. This first trial aimed mainly to evaluate the pharmacokinetics and the tolerability of a single intramuscular administration of risperidone in an ISM® formulation(1). In July 2011, ROVI disclosed the positive results obtained from this phase I clinical trial(2). The analysis of the data showed that ISM technology enables the optimal sustained delivery of risperidone from day one, which will allow for once-monthly administration without the need for supplementary oral risperidone in the first weeks. These characteristics will facilitate the adherence with treatment of schizophrenic patients, and represent an improvement on the risperidone formulations that are currently available in the market. The full results were presented at the 3rd European Conference on Schizophrenia Research held in Berlin in September 2011(3).

  After obtaining these favourable results, in 2012 ROVI held meetings with the Spanish Agency of Medicines and the U.S. Food and Drug Administration (FDA) in order to get scientific and regulatory advice on the clinical development of Risperidone ISM®. In addition, in 2013 it it was started the PRISMA-1 study(4), a new multicentre, international, phase I study to evaluate the pharmacokinetic profile and safety of single doses of Risperidone ISM® at different concentrations administered to schizophrenic patients; also, patients recruitment for this study also ended in 2013 and the results are expected by the end of the second half of 2014. Furthermore, at the end of 2013 it was presented an IND (Investigational New Drug) to the FDA, that will allow starting the phase II of PRISMA-2(5), in several centres of the U.S.A, with the objective of evaluating multiple doses of Risperidona ISM in schizophrenic patients. The results of this study are expected by the first semester of 2015.

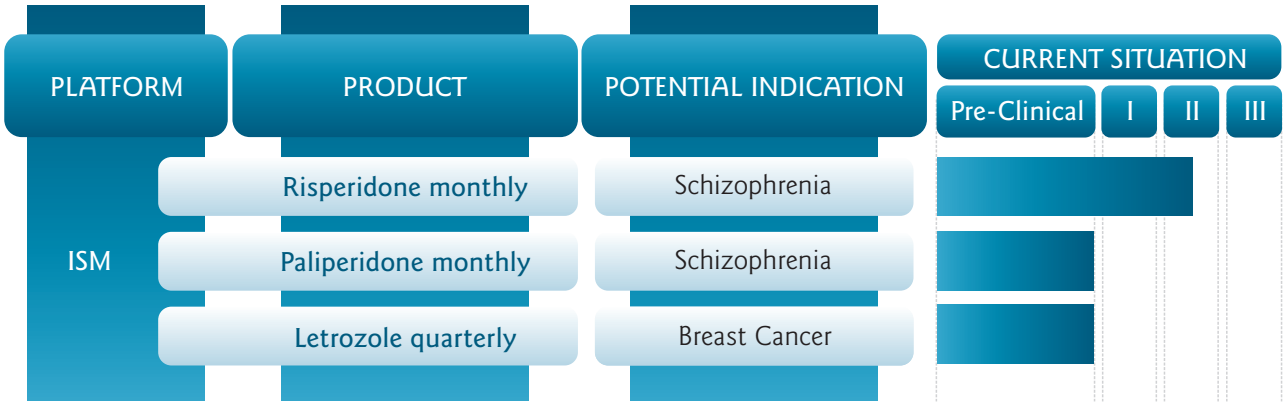
(1) Trial of Risperidone ISM®. ClinicalTrials.gov, National Institutes of Health; NCT01320410 [http://www.clinicaltrials.gov/ct2/show/NCT01320410?term=NCT01320410&rank=1].
(2) Laboratorios Farmacéuticos Rovi, S.A. ROVI announces positive results from the Phase I trial for the monthly injectable formulation of Risperidone-ISM. Press release, July 11, 2011 (http://www.rovi.es/otros/89.pdf).
(3) Farré M. et al. A clinical trial to evaluate the pharmacokinetics, safety and tolerability of single doses of risperidone with the novel long-acting injectable technology ISM® in healthy volunteers. Eur Arch Psychiatry Clin Neurosci 2011; 261 (Suppl 1): S57.
(4) Pharmacokinetic, Safety, and Tolerability Study of Risperidone ISM® at Different Dose Strengths (PRISMA-1). ClinicalTrials.gov, National Institutes of Health; NCT01788774
(5) Pharmacokinetics and Tolerability Study of Risperidone ISM® in Schizophrenia (PRISMA-2). ClinicalTrials.gov, National Institutes of Health; NCT02086786 [http://clinicaltrials.gov/show/NCT02086786]

Both the PRISMA-1 and PRIMSA-2 studies, together with a comprehensive population pharmacokinetic modelling, will provide reliable information to adjust the final design of the phase III of the program that is expected to start in 2015.

- **Paliperidone ISM®**: during 2013 has continued developing the preclinical development of another widely used second generation antipsychotic drug, with the once monthly administration of paliperidone by the patented ROVI's technology ISM®. It is expected to start the development in humans by the second half of 2013.

- **Letrozole ISM®**: ROVI is also dedicating its efforts for the development of a novel formulation for a quarterly injection of a well-recognised aromatase inhibitor, letrozole. The project is already in an advance preclinical phase under animal testing. Letrozole is currently considered as a key therapy for the treatment of the hormone-dependent breast cancer and the ISM® technology may provide better compliance and additional benefits to those patients who are suffering from this type of tumour.

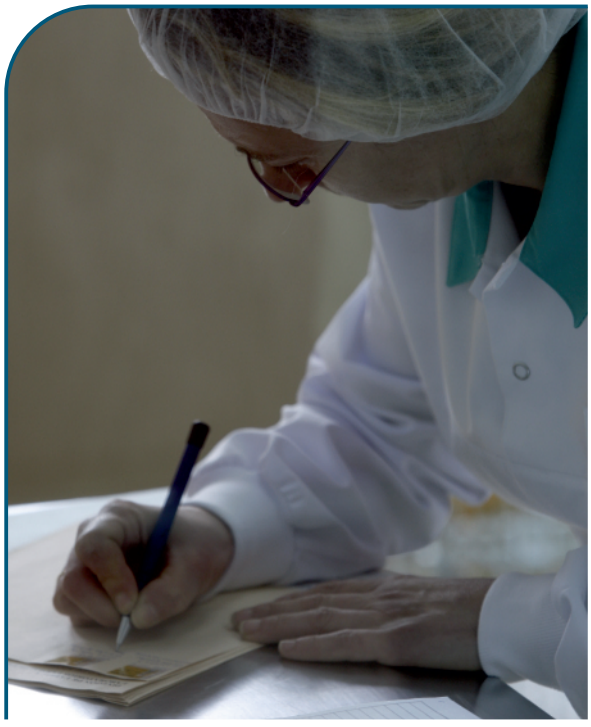
1.3. Pipeline: ISM® (In Situ Microparticles system)

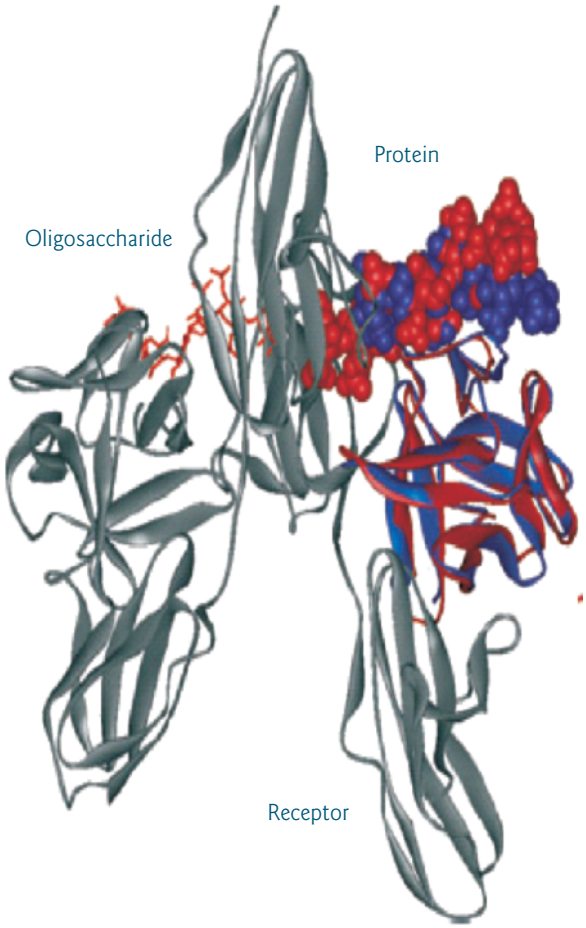


2. GLYCÓMICS

The extracellular matrix in animal tissues is a medium in which there is intense intercellular communication. This communication takes place through recognition phenomena between biomolecules which, unlike the intracellular interactions, take place in an unconfined medium implying notable requirements in terms of selectivity and specificity. In this context, it is important to highlight the essential role played by carbohydrates as this is the type of biomolecule with the greatest capacity for structural diversity and therefore for transmitting information. For this reason, the new term of glycomics has recently been coined as an innovative solution for seeking out carbohydrates with new activities. Glycomics comprises the study and characterization of the sugars making up a cell.

Glycosaminoglycans (GAGs) constitute the main component in the proteoglycans present in the extracellular matrix. These polysaccharides, apart from their well-known role in the regulation of blood clotting, are involved in the control of a large number of cell signalling processes, including in particular processes for cell growth, differentiation, proliferation, immune response and inflammation. In order to exercise these functions, GAGs have to interact, more or less specifically, with numerous proteins taking part in the activation or inhibition of the corresponding signalling cascade. Glycomics studies provide very valuable information in this sense, as they allow determination of the receptors taking part in the interaction with each type of GAG.





Glycomics represents for ROVI its fundamentals, the reason why the company has invested considerable efforts and resources in this area in recent years with the objective of developing new anticoagulant products based on heparin and heparinoids.

2.1. Clinical research: glycomics

The degree of specialization achieved in this area allows consideration of the expansion of applications, indications and alternative mechanisms of action for the heparin-derived products and other glycosaminoglycans, based on both anticoagulant and non-anticoagulant activities.

In October 2011, ROVI announced[6] the presentation of the results of the final analysis of the **"ABEL" clinical trial (Adjuvant Bemiparin Evaluation study in small cell Lung cancer)** during the XIII National Congress of the Spanish Society of Medical Oncology. The study was aimed to assess the effectiveness and safety of Bemiparin (3,500 IU/day for 26 weeks) in patients with limited small cell lung cancer who are receiving standard anti-tumour treatment (platinum-based chemotherapy and radiotherapy[7]).

According to the data analysis from a total of 39 patients with limited stage disease of small cell lung cancer (after ending the inclusion of new patients because of a slow recruitment rate), it was shown that the disease progression-free survival time (the primary outcome of the trial) increased by 1.5-fold, and the overall survival time increased by 3.3-fold, in the group of patients who received Bemiparin, compared to the control group without Bemiparin, with no rise in the incidence of haemorrhage[8].

In the light of these results, and taking into consideration the fact that the time and resources needed to continue with the development of Bemiparin for this new therapeutic area are significant, ROVI has decided to look for a partner that specialises in oncology, with the appropriate experience and resources for undertaking the clinical development with sufficient guarantees.

Likewise, in 2013, in its commitment to Investigation and Scientific Research, ROVI launched a new International Scholarship Scheme for Biomedical Research related to Bemiparin. In this regard, three grants were awarded for original research projects of scientific interest that will contribute to the knowledge about Bemiparin and therapeutic options in clinical practice.

3. MULTILAYER TECHNOLOGIES USED TO DEVELOP URETRAL CATHETERS

One of the most relevant side effects of using urinary tract catheters is the high prevalence of urinary tract infections that leads to high mortality rates (sepsis and death) and causes significant costs in health care systems. Despite the extensive employment of closed systems or catheters coated with antibacterial compounds to prevent urinary tract infections, the incidence of uretral catheter associated urinary tract infections is still high, as biofilm formation (figure 1) reduces microorganism elimination with the use of antibiotics.

ROVI has recently patented a multilayer technology platform that is currently under development. This technology will be initially used to develop uretral catheters. The development of this technology is based on the use of polymer layers that bioerode under the influence of bacterial metabolism. This erosion provides important advantages over the state of the art technologies, reducing bacterial adhesion on the luminal surface and facilitating biofilm elimination and formation of encrustations that lead to catheter blockage.

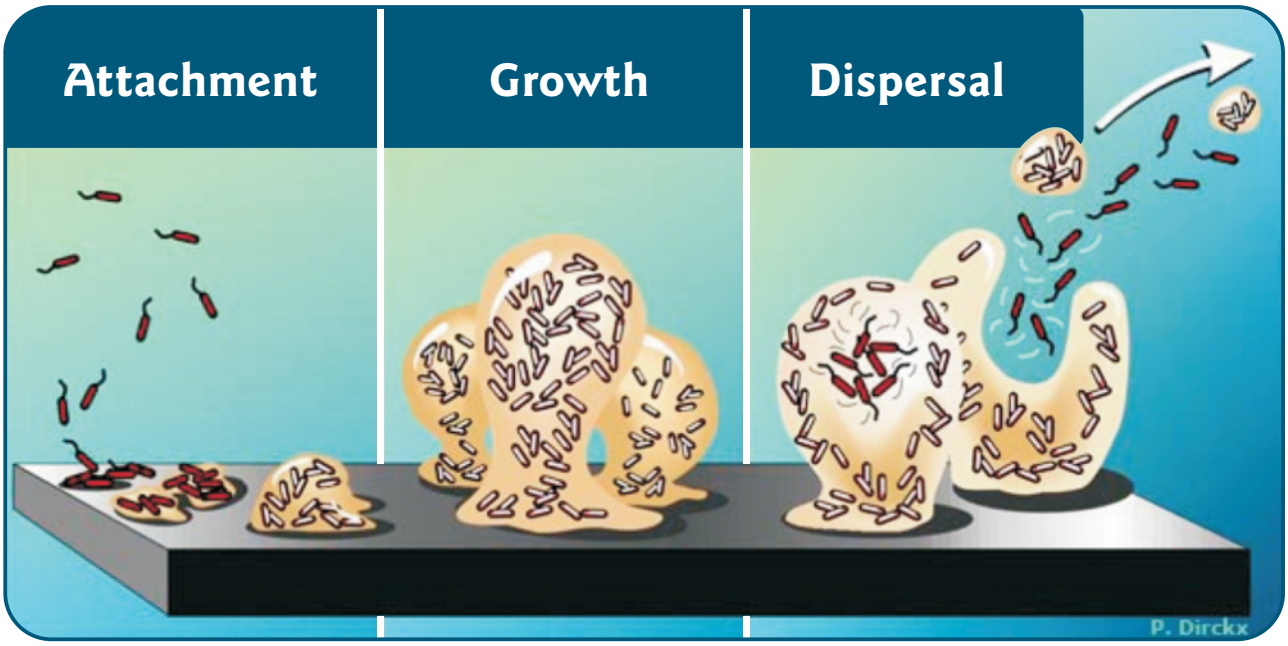


Figure 1. Biofilm formation.

(6) Laboratorios Farmacéuticos ROVI S.A. The results of the ABEL clinical trial suggest that Bemiparin could be beneficial against small cell lung cancer. Press release, October 19, 2011. http://www.rovi.es/ficheros/120i.pdf

(7) Adjuvant BEmiparin in Small Cell Lung Carcinoma (ABEL STUDY). ClinicalTrials.gov, National Institutes of Health; NCT00324558. http://clinicaltrials.gov/ct/show/NCT00324558?order=2.

(8) B. Massuti, et al. Phase II, randomized trial of bemiparin associated to chemotherapy in small cell lung cáncer: Final results from ABEL study. Oral communication. XIII National Congress of the Spanish Society of Medical Oncology (Málaga, October 19-21, 2011).

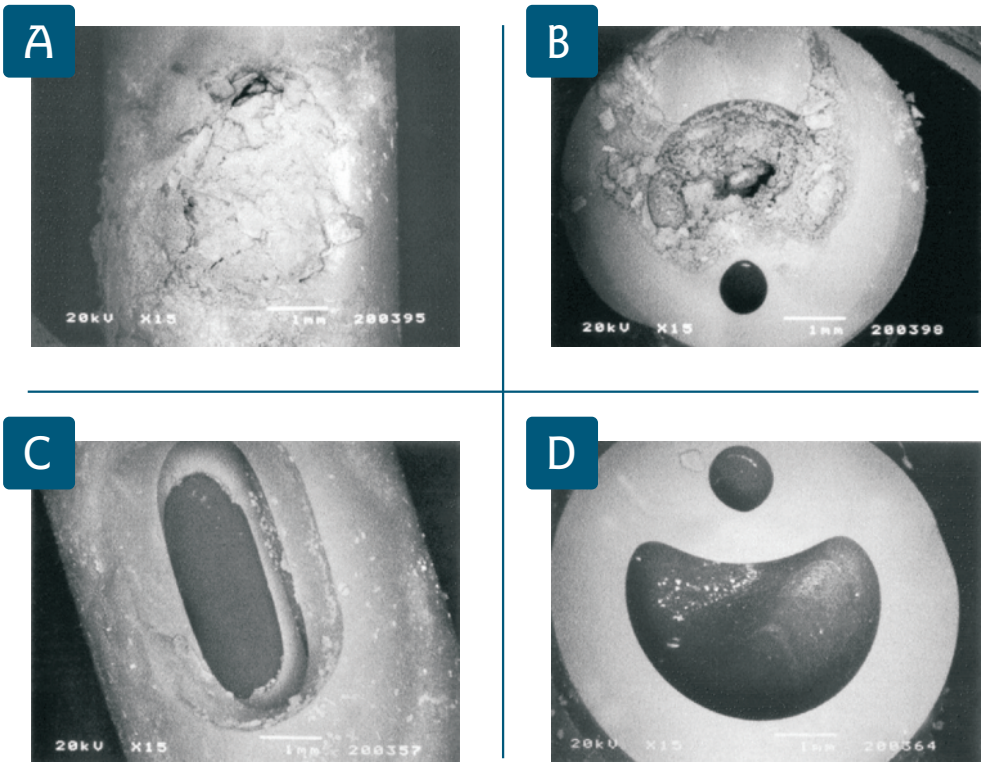


Figure 2. Catheter encrustation

Therefore, uretral catheters based on ROVI's multilayer technology platform will constitute an alternative over existing medical devices, increasing patient's quality of life, reducing the use of antibiotics and reducing catheter substitutions due to blockage and also reducing morbidity and hospitalization associated to the use of these devices.

So far, ROVI has developed several polymeric compositions and many microbiological trials were performed in order to evaluate performance of each composition on their capacity of avoiding bacterial attachment, promoting biofilm elimination and avoiding the formation of encrustations. These results were also compared over those obtained with materials commonly used in catheter fabrication such as silicone and PVC. In 2013 ROVI has laid the bases for the production development of the firsts prototypes of urethral catheters using a multilayer technological platform, patented by ROVI, and the first tests in animals are expected to start in 2014.

Activities report

International

ROVI's dedication and its strategy of encouraging the international trade, has lead to extend Bemiparin presence, whether in pre-registration, registration or marketing stage, to a total of 82 countries thanks to the strategic alliances established with our 22 international partners.

In 2001, ROVI obtained the approval to market Bemiparin in the leading European markets through a mutual recognition procedure in the United Kingdom, Italy, Austria, Greece, Ireland and Portugal. The successful conclusion of a second mutual recognition procedure in 8 Eastern European countries, allowed us in 2006 and 2007, to introduce Bemiparin into new markets such as Czech Republic, Hungary, Slovakia, Poland, the Baltic States (Lithuania, Latvia and Estonia), which in 2008 were joined by Ukraine and Bulgaria, and finally Slovenia in 2009. Since the very first mutual recognition procedure, ROVI has been unstoppable in its efforts to extend the presence of Bemiparin through the international community and share its benefits with doctors and patients all over the world.

ROVI has achieved distribution agreements with highly entrepreneurial pharmaceutical companies that are strongly committed to health such as: Menarini in Central America and Argentina, via its subsidiary Berlin-Chemie, in Central and Eastern Europe and in CIS countries; Sigma-Tau in Italy; Vianex in Greece; Dem Ilac in Turkey, Hikma in the Middle East and North Africa; Iberma in Morocco; UCB in Mexico; CSC-Angelini in Rumania; Dexa Medica in Indonesia, EMS in Brasil, Bagó in Bolivia; Biopas in Venezuela, IL-Sung in South Korea, Biotoscana in Colombia, Gerot-Lannach in Austria, Litha-Pharmacare in South Africa, Livar in Iran; Elder in India; Haji Medicine in Pakistan; and Stada in Thailand, Malaysia, Singapore , Philippines and Vietnam.

The period between 2008 and 2011 was very active for Bemiparin's internationalization, with new launches in Russia, Belarus, Bolivia, Bahrein, Turkey, Ukraine, Kuwait, Yemen, Algeria, Bulgaria, Colombia, Morocco, Chile, Georgia and Moldavia. In 2012, the international expansion of Bemiparin was consolidated with its launch in Mexico, Venezuela, Saudi Arabia, Syria, Oman and Iraq, and in 2013 in South Korea and Rumania, as well as in Qatar, Lebanon and Iran, which contribute, without a doubt, to impulse the globalization process of our innovative 2nd-generation molecule. This way, Bemiparin has positioned itself as one of the leading therapeutic proposals to prevent and treat venous thromboembolic disease in the 57 countries, including Spain, where it is currently present.

In terms of the activities carried out this year for the international scientific community, we should highlight the participation of Bemiparin in the fourteenth edition of the EFORT (European Federation of National Associations of Orthopaedics and Traumatology) congress, held in June in Istanbul, where Rovi organized a workshop for the international doctors. Likewise, ROVI participated in the XXIV International Congress on Thrombosis and Haemotasis organized by the ISTH (International Society on Thrombosis and Haemotasis) with a stand in the exhibition area, used as a meeting point for our international partners and doctors, and also offered a workshop based the management of patients with VTE.

As it is becoming traditional, in June took place the fifth edition of the prestigious "Anti-Thrombosis Masterclass", held in Rome, Italy. This is the most outstanding conference in which Rovi and Bemiparin team is present, and with an audience in its last edition of 150 of the most significant international opinion leaders in the VTE field. The year concluded with the meeting "Bemiparin in the clinical practice" held in Madrid, Spain, where lectures from different speakers about their daily clinical experience with Bemiparin were shared with the attendants; and with the OS FORUM Course: Advanced and Intermediate Course in Hip Arthroscopy, in Madrid, Spain, sponsored by Rovi and organized by the Santa Leonor University Hospital, where 20 international orthopaedics had the opportunity to learn the most innovative surgical techniques used in Hip Arthroscopy in a cadaver lab.

Bemiparin has positioned itself as one of the leading therapeutic proposals to prevent and treat venous thromboembolic disease in the 57 countries

The development of our web page www.bemimed.com in 2008, with exclusive access for international partners, and the launch in 2009 of another exclusive portal for doctors ("Bemiparin International Medical Information"), has allowed us to position the molecule in a digital and interactive environment, making use of new technologies to promote not only the exchange of promotional and scientific information about our molecule with our international partners but also the spreading of the latest advances on venous thromboembolic disease and the use of Bemiparin with our scientific community. During 2011, the private portal for our partners and doctors experienced a significant increase in terms of registered users, mainly due to the constant updates provided on scientific publications and information about our international activities for healthcare professionals. In 2013, Rovi has been able to boost the use of this web site for both the partner and doctors' access with new contents and webcasts, spreading the knowledge of our molecule and venous thromboembolism through the international registered users.

Activities report

Products

Hibor®
CARDIOVASCULAR

Venous thromboembolic disease (VTD) includes deep-vein thrombosis in the lower or upper limbs (DVT) and pulmonary embolism (PE). VTD is a serious and potentially fatal process, characterized by the formation of a fibrin clot, thrombosis, inside the veins of the deep vein system, with all the consequences of the evolution of venous thromboses, including growth, progression and fragmentation. In the latter case, some of the fragments may break loose and reach the lung, causing PE.

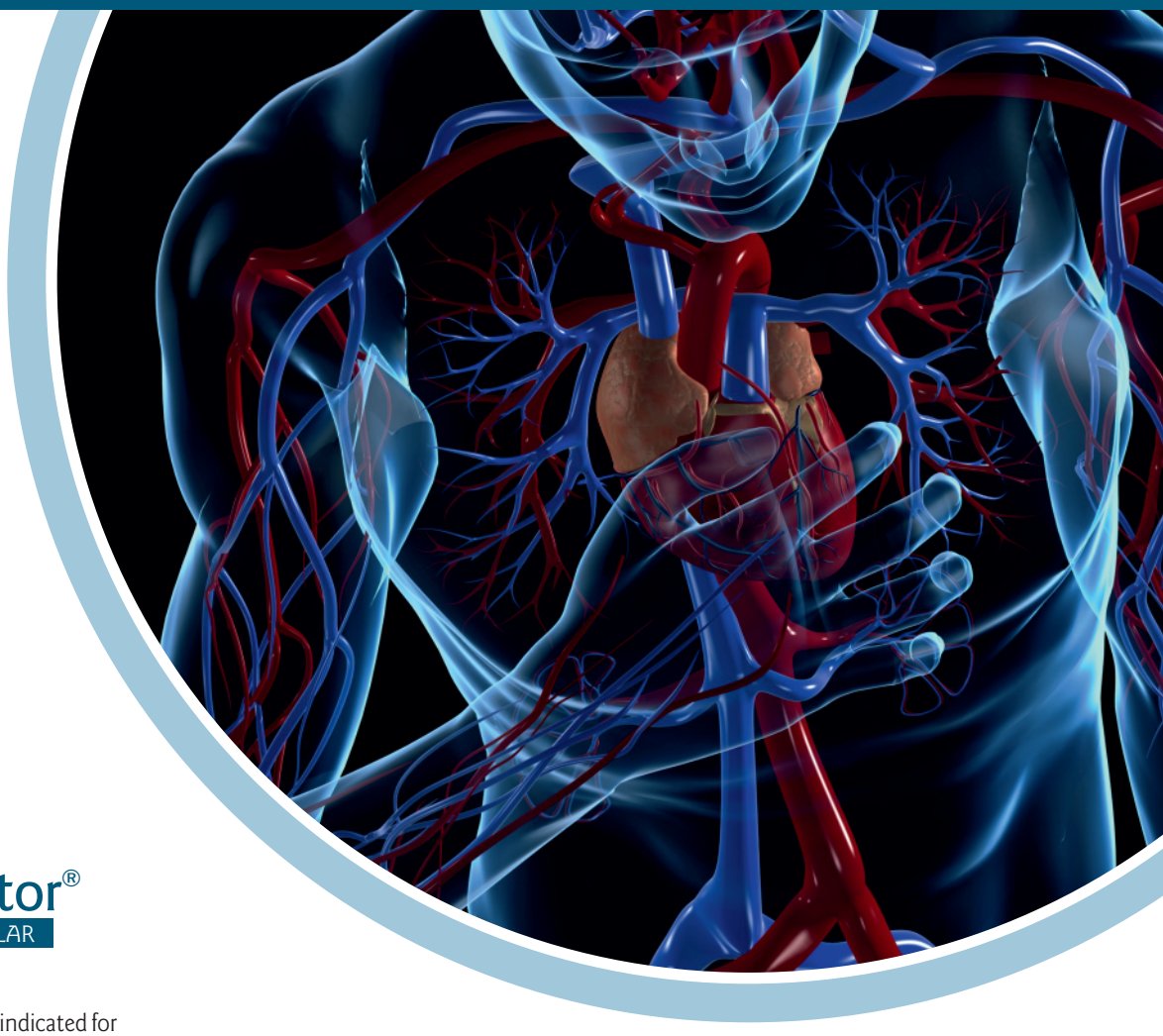
In Spain the data handled indicate around 65,000 cases of DVT and 25,000 of PE per year, giving a total incidence of 90,000 cases per year (Thromb Haemost 2000, 2001 and 2005).

Hibor (Bemiparin) is a low molecular weight heparin ("LMWH") indicated for preventing and treating venous thromboembolic disease (TED), both in surgical and medical patients, and for the intense and long-term treatment of patients who have suffered a TED process.

It is also indicated for preventing coagulation in the extracorporeal circuit during haemodialysis.

Hibor (Bemiparin) has consolidated its position in the market for anti-thrombosis drugs as the second most-sold LMWH in Spain (IMS, December 2013).

It has a significant international presence. The product has been approved in 57 countries in 4 continents, and is also in the approval process in several countries.



Corlentor®
CARDIOVASCULAR

Corlentor (Ivabradine) is indicated for

- **Treatment of coronary artery disease:** symptomatic treatment of chronic stable angina pectoris in adults with coronary artery disease with normal sinus rhythm:

  - in adults unable to tolerate or with a contra-indication to the use of beta-blockers;

  - or in combination with beta-blockers in patients inadequately controlled with an optimal beta-blockers dose and whose heart rate is >60 bpm (beats per minute).

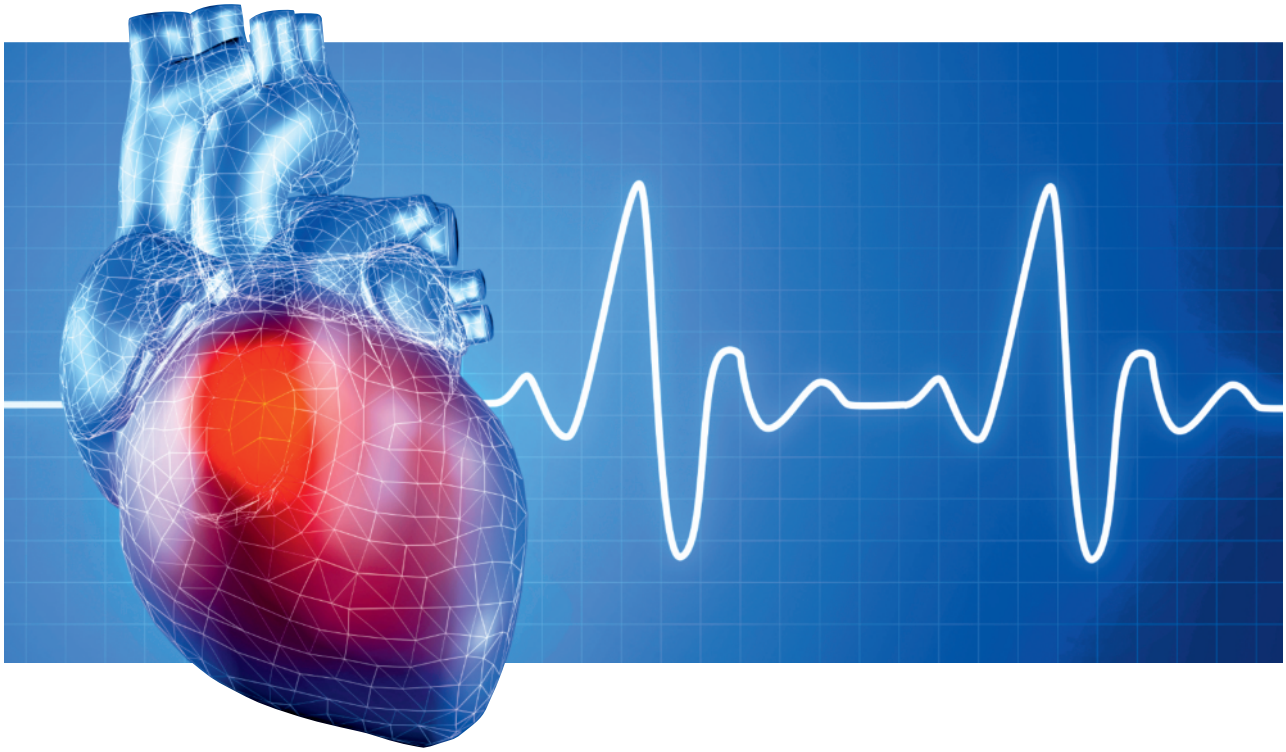
- **Treatment of chronic heart failure**
  Ivabradine is indicated in patients with chronic heart failure in NYHA II to IV with systolic dysfunction, in patients in sinus rhythm with heart rate ≥75 bpm:

  - in combination with standard therapy including beta-blocker therapy;

  - or when beta-blocker therapy is contraindicated or not tolerated.

Chronic heart failure affects 1.2 million patients in Spain (10% of the population over 60 years of age) (Muñiz et al. Rev. Esp Cardiol supl. 2006;6:2F-8F; INE (National Institute of Statistics) 2011). It is a disabling condition and, despite improvements in treatment and management, generally has a poor prognosis, with a survival of only 50% after five years from the diagnosis. In Spain, heart failure is the fourth cause of mortality, which means 15% of all the cardiovascular deaths, and it is the first cause of hospitalization (INE (National Institute of Statistics) 2011).

Corlentor is supplied in film-coated tablets containing 5 mg and 7.5 mg of Ivabradine. It is a product developed by Les Laboratoires Servier and marketed in Spain by Laboratorios Farmacéuticos Rovi, S.A.



Ameride®

CARDIOVASCULAR

Ameride is indicated for the treatment of hypertension (high blood pressure) especially in patients with low potassium levels, edema with a coronary origin (swelling of ankles, feet or legs, due to retention of water), and ascites (accumulation of water in the abdomen) due to a cirrhosis (liver disease).

Ameride is a combination of amiloride hydrochloride and hydrochlororthiazide. The component amiloride that is contained in Ameride belongs to the antikaliuretic type of agents (potassuim conserving); amiloride is also a weak diuretic. The component hydrochlororthiazide in Ameride belongs to the diuretic (thiazide) group of drugs. Ameride acts by making the kidneys eliminate more water and salt and retain more potassium. This helps to reduce hypertension and some forms of edema, while at the same time helping to maintain normal levels of potassium in the blood.

Prinivil® and Prinivil® Plus

CARDIOVASCULAR

Prinivil contains lisinopril and belongs to a group of drugs which are known as inhibitors of the angiotensin converting enzyme (ACE inhibitors). Prinivil is indicated for the treatment of hypertension (high blood pressure), for the treatment of symptomatic heart failure, the short term treatment of acute myocardial infarction, and the treatment of complications related to the type II diabetes kidney in patients with hypertension.

Prinivil Plus contains two different active principles: (i) the component lisinopril, a drug which belongs to the group of ACE inhibitors, and (ii) the component hydrochlorothiazide, which belongs to the diuretic group. Lisinopril dilates blood vessels and facilitates the pumping of blood from the heart to all parts of the body. Hydrochlorothiazide enables the kidneys to let pass more water and salt. Combined, both components work to reduce high blood pressure.

Absorcol®

CARDIOVASCULAR / PRIMARY CARE

Primary hypercholesterolaemia

Absorcol, co-administered with a HMG-CoA reductase inhibitor (statin), is indicated as adjunctive therapy to diet for use in patients with primary (heterozygous familial and non-familial) hypercholesterolaemia who are not appropriately controlled with a statin alone.

Absorcol monotherapy is indicated as adjunctive therapy to diet for use in patients with primary (heterozygous familial and non-familial) hypercholesterolaemia in whom a statin is considered inappropriate or is not tolerated.

Homozygous familial hypercholesterolaemia (HoFH)

Absorcol, co-administered with a statin, is indicated as adjunctive therapy to diet for use in patients with HoFH. Patients may also receive other adjunctive treatments (e.g. LDL apheresis).

Homozygous sitosterolaemia (phytosterolaemia)

Absorcol is indicated as adjunctive therapy to diet for use in patients with homozygous familial sitosterolaemia.

A beneficial effect of Absorcol on cardiovascular morbidity and mortality has not yet been demonstrated.

Absorcol is an investigational product from Merck Sharp & Dohme marketed in Spain by ROVI since 2011.

Vitorin®

CARDIOVASCULAR / PRIMARY CARE

Hypercholesterolaemia

Vytorin is indicated as adjunctive therapy to diet for use in patients with primary (heterozygous familial and non-familial) hypercholesterolaemia or mixed hyperlipidaemia where use of a combination product is appropriate:

- patients not appropriately controlled with a statin alone; and

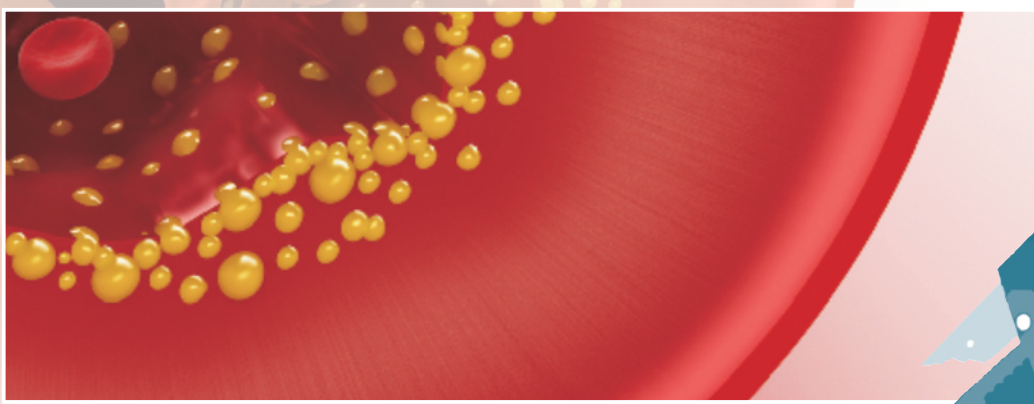
- patients already treated with a statin and ezetimibe.

Vytorin contains ezetimibe and simvastatin. Simvastatin (20-40 mg) has been shown to reduce the frequency of cardiovascular events. A beneficial effect of ezetimibe on cardiovascular morbidity and mortality has not yet been demonstrated.

Homozygous familial hypercholesterolaemia (HoFH)

Vytorin is indicated as adjunctive therapy to diet for use in patients with HoFH. Patients may also receive adjunctive treatments (e.g. low density lipoprotein [LDL] apheresis).

Vytorin is marketed in tablets containing 10 mg of ezetimibe and 20 mg of simvastatin and in tablets containing 10 mg of ezetimibe and 40 mg of simvastatin. It is an investigational product from Merck Sharp & Dohme marketed in Spain by ROVI since 2011.



Osseor®

OSTEOARTICULAR

Osseor, whose main active ingredient is strontium ranelate, is indicated for the treatment of severe osteoporosis in postmenopausal women with high risk of spinal or hip fractures. It is also indicated for the treatment of severe osteoporosis in men with a high risk of fracture.

It is the result of research at Les Laboratoires Servier and has been marketed by ROVI since 2005.

Osteoporosis is a skeletal disease characterized by lowered bone resistance that predisposes people to an increased risk of fracture. Of the 3.5 million people who suffer from osteoporosis in Spain, only 18% are diagnosed. Approximately 33% of women aged between 60 and 70 and 66% of women over 80 years of age have osteoporosis. It is calculated that 47% of women may suffer an osteoporotic fracture. (Rev Clin Esp. 2003; 203 (10): 496-506; Rev Clin Esp. 2008; 208 Supl 1:1-24).

The goal of treatment of osteoporosis is the reduction of fractures.

The Spanish osteoporosis market involves around 8.8 million treatments each year, which represented around 207 million euros in 2013. Osseor has a market share by value of around 2.3% (IMS, MAT December 2013).

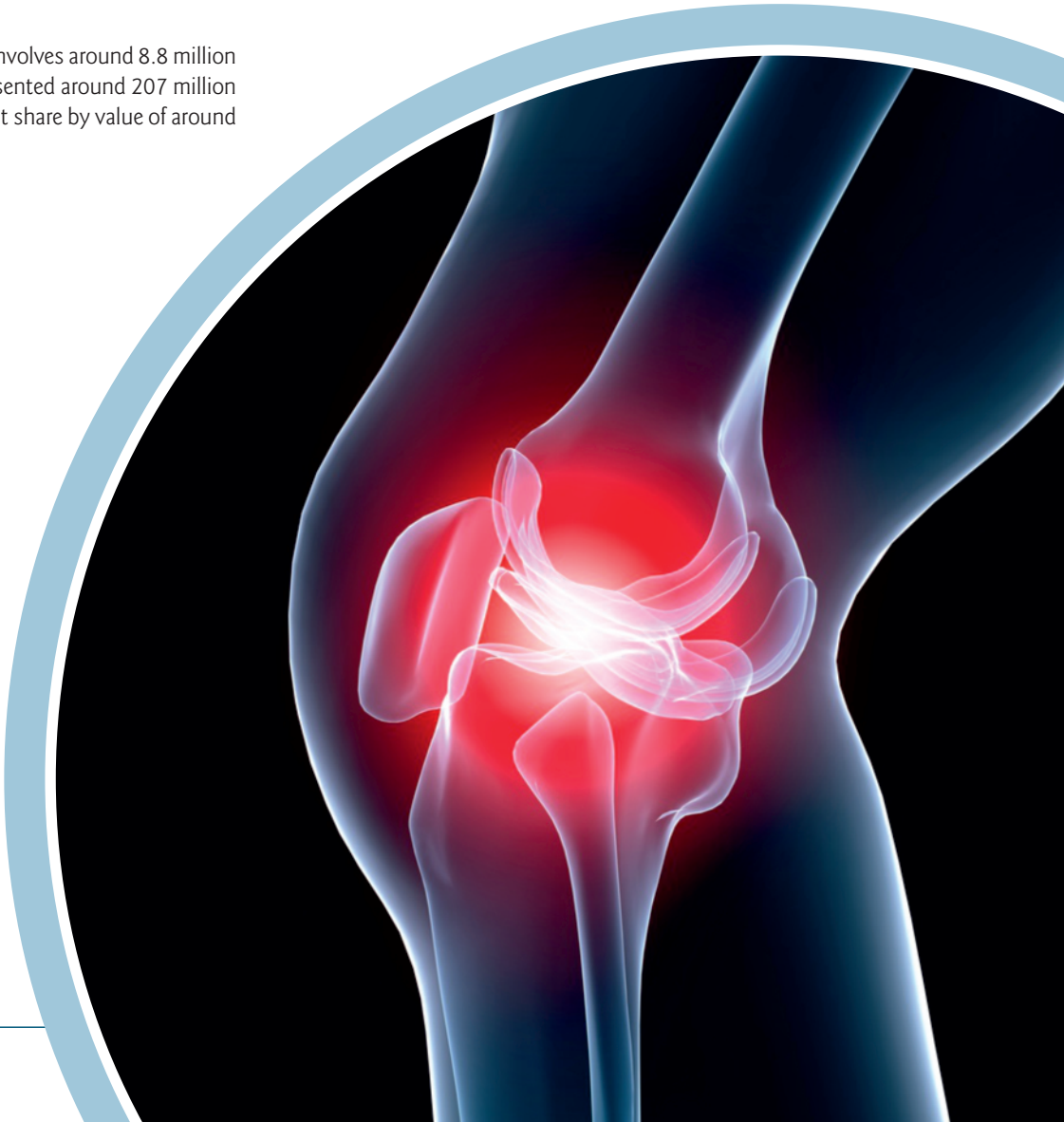
Bertanel®

OSTEOARTICULAR

Bertanel is a parenteral methotrexate, indicated for:

- active rheumatoid arthritis in adult patients;
- polyarthritic forms of severe active juvenile idiopathic arthritis (JIA), when the response to non-steroidal anti-inflammatory drugs (NSAIDs) has been inadequate; and
- severe recalcitrant incapacitating psoriasis that doesn't respond properly to other therapies such as phototherapy, PUVA and retinoids, and severe psoriatic arthritis in adults.

Bertanel is supplied in prefilled syringes. It is a product that has been developed by EBEWE Pharma and has been marketed by ROVI in Spain since September 2010

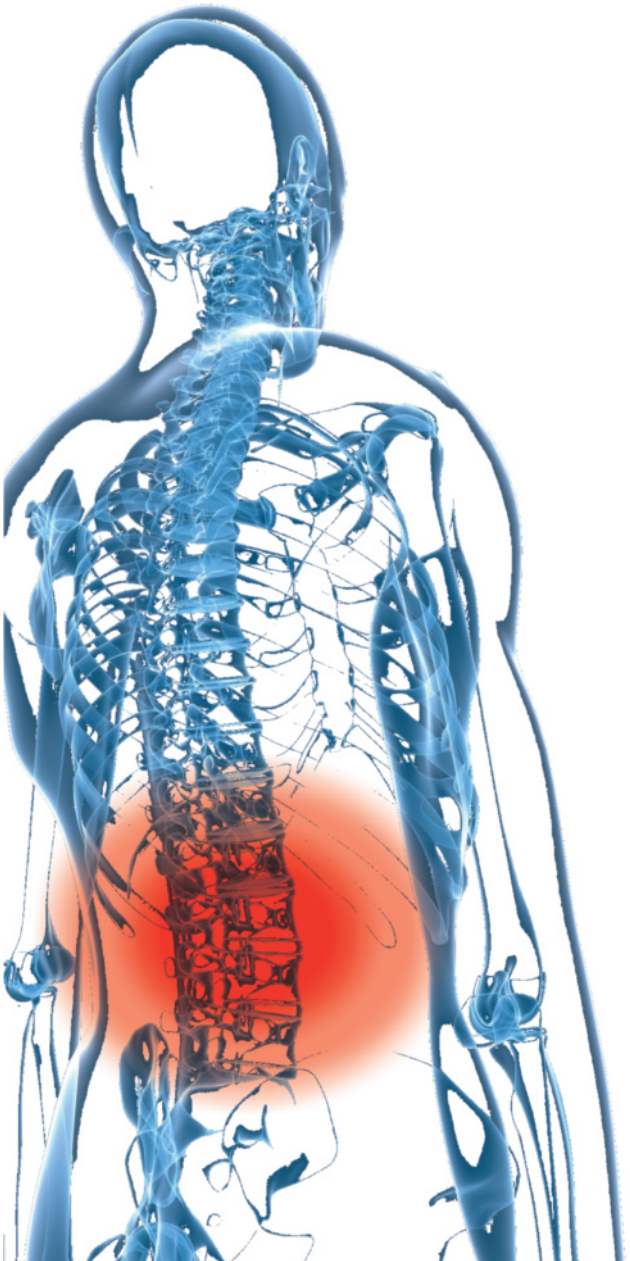


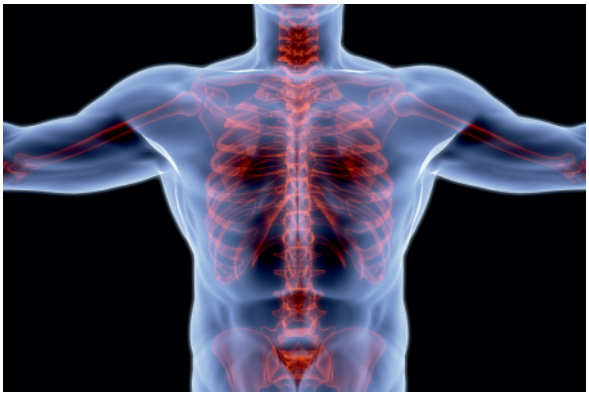
Rovi Calcium and Vitamina D3®

OSTEOARTICULAR

ROVI Calcium and Vitamin D3 is indicated to correct a combined deficiency of calcium and vitamin D in the elderly, and as vitamin D and calcium supplement, as an adjuvant to specific therapy, for the treatment of osteoporosis in patients with manifest deficiency of combined calcium and vitamin D or a high risk of this deficiency.

In adults, the daily calcium requirement is 1,000 mg while in the elderly and post-menopausal women, it is at least 1,200 mg. Likewise, it is advisable for adults older than 50 to ingest 800-1000 IU/day of vitamin D ("National Osteoporosis Foundation´s Updated Recommendations for Calcium and Vitamin D3 Intake", Reviewed October 2008).





Glufan®

OSTEOARTICULAR

Glufan is indicated for relieving symptoms of mild to moderate degenerative osteoarthritis.

Exxiv®

PAIN RELIEF

Exxiv is a selective COX-2 inhibitor indicated for the symptomatic relief of osteoarthritis (OA), rheumatoid arthritis (RA), ankylosing spondylitis, and the pain and signs of inflammation associated with acute gouty arthritis. For the short-term treatment of moderate pain associated with dental surgery. The decision to prescribe a selective COX-2 inhibitor should be based on an assessment of the individual patient's overall risks.

Exxiv offers different concentrations based on the disease for which symptoms are to be treated. It is supplied in film-coated tablets containing 30 mg and 60 mg (both indicated for osteoarthritis), 90 mg (for rheumatoid arthritis, ankylosing spondylitis and moderate pain associated with dental surgery), and 120 mg of etoricoxib (acute gouty arthritis, only for 8 days of treatment).

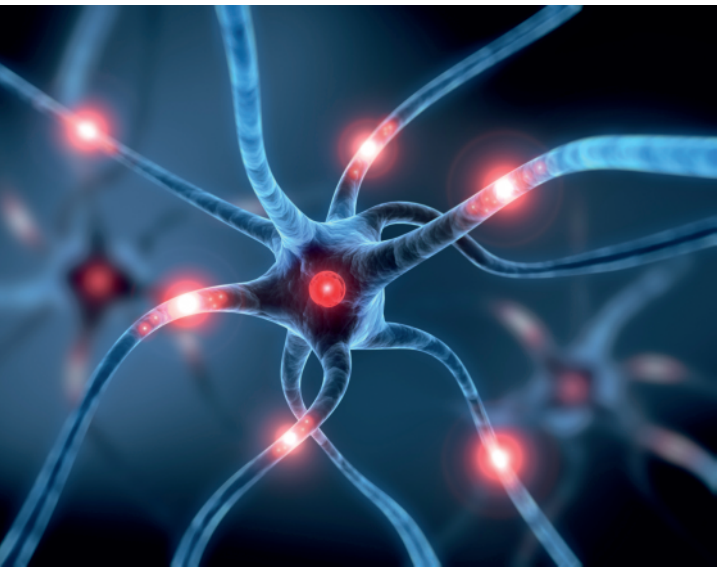
Osteoarthritis is the most prevalent joint disease worldwide. Affects 80% of the population> 65 years in industrialized countries. (Wolf AD et al. Bull World Health Organ. 2003;81:646-56)

It is a product developed by Merck Sharp & Dohme and marketed in Spain by ROVI since 2008.

Thymanax®
CENTRAL NERVOUS SYSTEM

Thymanax is an antidepressant which is indicated for adults with major depressive episodes. It is the result of research at Les Laboratoires Servier and has been marketed by ROVI since 2010.

Depression is currently one of the main challenges of Spanish public health, and is the cause of significant suffering for an increasing number of patients and also for their families, with a major impact on their quality of life. In addition, depression is accompanied by high socio-economic costs, due to its consequences both in social and labour areas. The WHO (World Health Organisation) calculates that in 2020 major depression will be the second largest cause of disability, behind cardiovascular diseases (Murray CJ, Lopez AD. Alternative projections of mortality and disability by cause 1990-2020: Global Burden of Disease Study. Lancet 1997; 349(9064):1498-504).



Tryptizol®
CENTRAL NERVOUS SYSTEM

Tryptizol belongs to a group of drugs known as tricyclic antidepressants and contains amitryptiline.

It is indicated for the treatment of depression, nocturnal enuresis (involuntary release of urine in sleep) when organic pathology has been excluded, and chronic neuropathic pain (pain caused by damage to the nervous system).

Medikinet® and Medicebran®
CENTRAL NERVOUS SYSTEM

Medikinet (methylphenidate hydrochloride with modified release) and Medicebran (methylphenidate hydrochloride for immediate release) are indicated as part of a program of comprehensive treatment of the disorder (ADHD) attention-hiperactivity deficit in children from 6 years and through adolescence (18 years).

They are two products of research from laboratories MEDICE Arzneimittel Pütter GmbH and ROVI is in charge of its commercialization in Spain, on exclusivity basis, since the end of 2013.

The main symptoms of ADHD are hyperactivity, attention deficit and impulsivity symptoms which cause a low school performance and ADHD become the leading cause of school failure in the 21st century.

ADHD is a psychiatric disorder of neurological origin where involved genetic and psychosocial factors. There is an alteration in the central nervous system manifesting itself through increased activity, impulsivity and inattention. It is one of the most frequent causes of school failure and social problems in the child age. This disorder appears in childhood and can persist and manifested into adulthood in more than 60% of cases if the treatment is not appropriate for the adolescent period.

In 2014, The World Health Organization (OMS) has estimated that this public health problem may affect between 5% and 8% of the population in the world.

In Spain, this problem reaches 8% of the child population, according to recent studies by the Spanish Federation of helping Associations to ADHD and the health centres specialized in the treatment of this pathology.

Hirobriz® Breezhaler® and Ulunar® Breezhaler®

RESPIRATORY - COMING LAUNCHES

On November, 2013, ROVI announced it had signed an agreement with Novartis Farmacéutica, S.A. to market in Spain Hirobriz Breezhaler (Indacaterol maleate) and Ulunar Breezhaler (indacaterol maleate and glycopyrronium bromide).

Under the terms of this marketing agreement, ROVI will undertake the promotion and distribution in Spain both of Hirobriz Breezhaler, whose active ingredient is indacaterol maleate, and Ulunar Breezhaler, which combines indacaterol maleate with glycopyrronium bromide. Both active ingredients are long acting bronchodilators, indicated in a maintenance treatment of Chronic Obstructive Pulmonary Disease (COPD) in adults, and are administered by inhalation through the Breezhaler device.

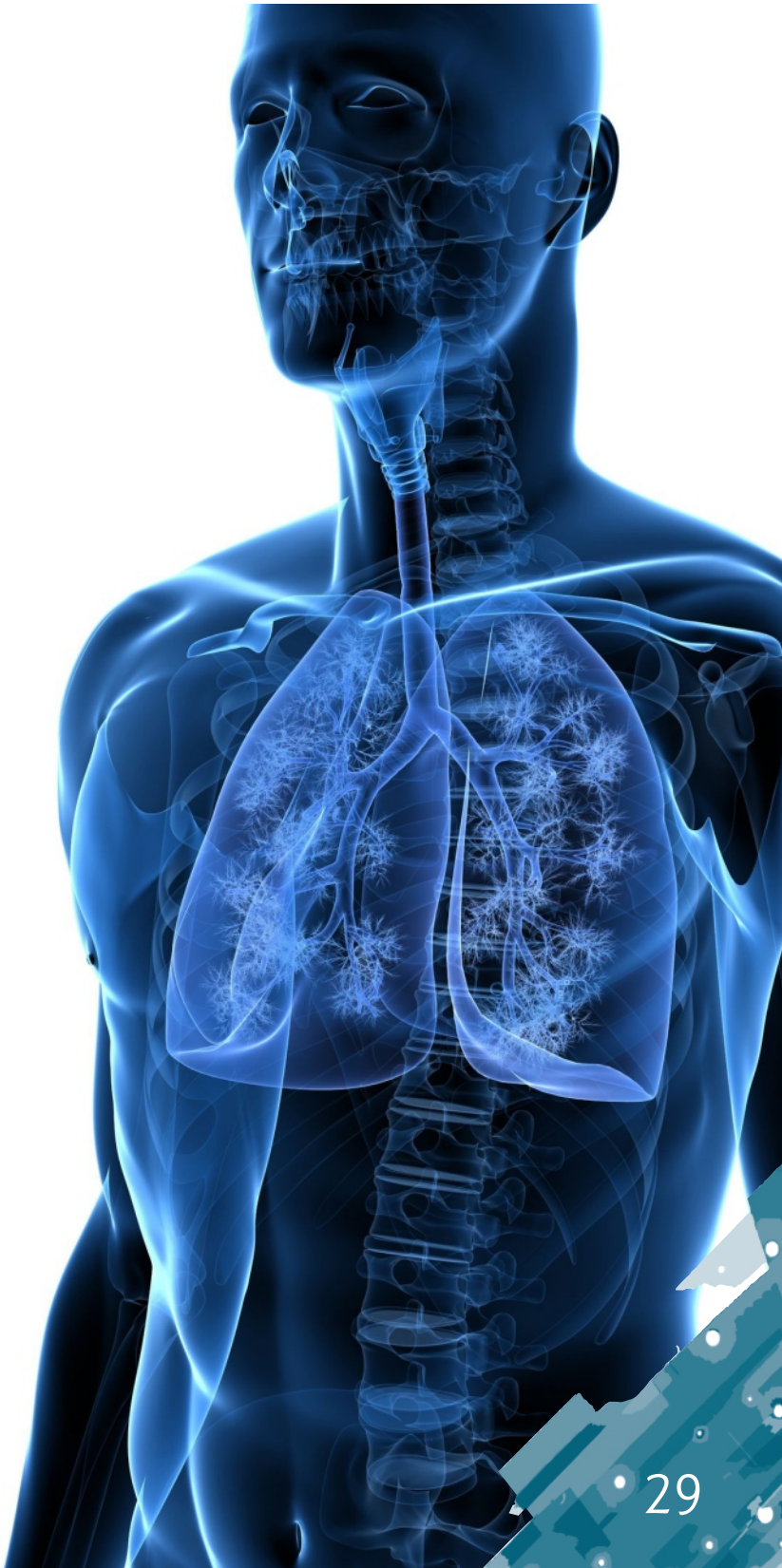
Hirobriz Breezhaler (indacaterol) belongs to a group of bronchodilator drugs called beta2-adrenergic long-acting beta antagonist (LABA) that reinforce the action of adrenaline in the adregenic receptor relaxing the small airway wall muscles of the lungs, helping to open the airways and ease the inflow and outflow of the air, with just one dose a day. Clinical practice guidelines recommend the establishment of a maintenance therapy for the COPD with a long acting bronchodilator, like a Beta2-adregenic agonist or an anticholinergic.

Glycopyrronium belongs to the group of bronchodilator drugs called Long Acting Muscarinics Antagonist (LAMA) or anticholeinergic, which block the action of acetylcholine on muscarinic receptors, thus preventing contraction of the airway, with a single dose a day.

Ulunar Breezhaler (indacaterol+glycopyrronium) will be the first LABA+LAMA combination available on the market. Clinical practices guidelines recommend for the treatment of moderate-severe COPD adding a second long acting bronchodilator as well as the one already established for the patients as maintenance therapy, i.e. combining a LABA with a LAMA as the complementary mechanisms of action provide a better brochodilation, which has shown additional benefits for the patients, in terms of improving inspiratory capacity, dyspnea (or fatigue) and quality of life, as well as reducing the need for rescue medication. Ulunar Breezhaler will offer patients with COPD the possibility of having available the benefits of a better bronchodilator in a fixed combination and in a single inhaler.

The combination of indacaterol and glycopyrronium in a fixed combination and in a single inhaler has been recently approved, both in Europe and in Japan.

Hirobriz Breezhaler is already marketed in Spain and ROVI has started its promotion since the 1st of January 2014. Rovi expects starting to market Ulunar Breezhaler at the beginning of 2015.



Sonovue®

IMAGING DIAGNOSTIC AREA

Imaging contrast media

Sonovue, marketed by ROVI under a license from Bracco Imaging S.p.A., is a medicinal product for diagnostic use only, used in order to enhance the ultrasound imaging of the echogenicity of the blood, which results in an improved signal to noise ratio.

Sonovue is indicated for:

- Echocardiography. Sonovue is a transpulmonary echocardiographic contrast agent for use in patients with suspected or established cardiovascular disease to provide opacification of cardiac chambers and enhance left ventricular endocardial border delineation.
- Doppler of macrovasculature. Sonovue increases the accuracy in detection or exclusion of abnormalities in cerebral arteries and extracranial carotid of peripheral arteries by improving the Doppler signal to noise ratio. Sonovue increases the quality of the Doppler flow image and the duration of clinically useful signal enhancement in portal vein assessment.
- Doppler of microvasculature. Sonovue improves the display of the vascularity of liver and breast lesions during Doppler sonography, leading to more specific lesion characterization.

Iomeron® and Iopamiro®

IMAGING DIAGNOSTIC AREA

Imaging contrast media

Iomeron and Iopamiro are two nonionic iodinated radiographic contrast media for diagnosis by computerized tomography or X-ray diagnostic techniques. These two products are marketed by ROVI, under licenses from Bracco Imaging S.p.A.

Presentations:

- Iomeron: from 200 mg/ml to 400 mg/ml concentration, in glass bottles quantities from 50 to 500 ml.
- Iopamiro: 300 mg/ml and 370 mg/ml concentration, in glass bottles quantities from 30 to 100 ml.

Multihance® and Prohance®

IMAGING DIAGNOSTIC AREA

Imaging contrast media

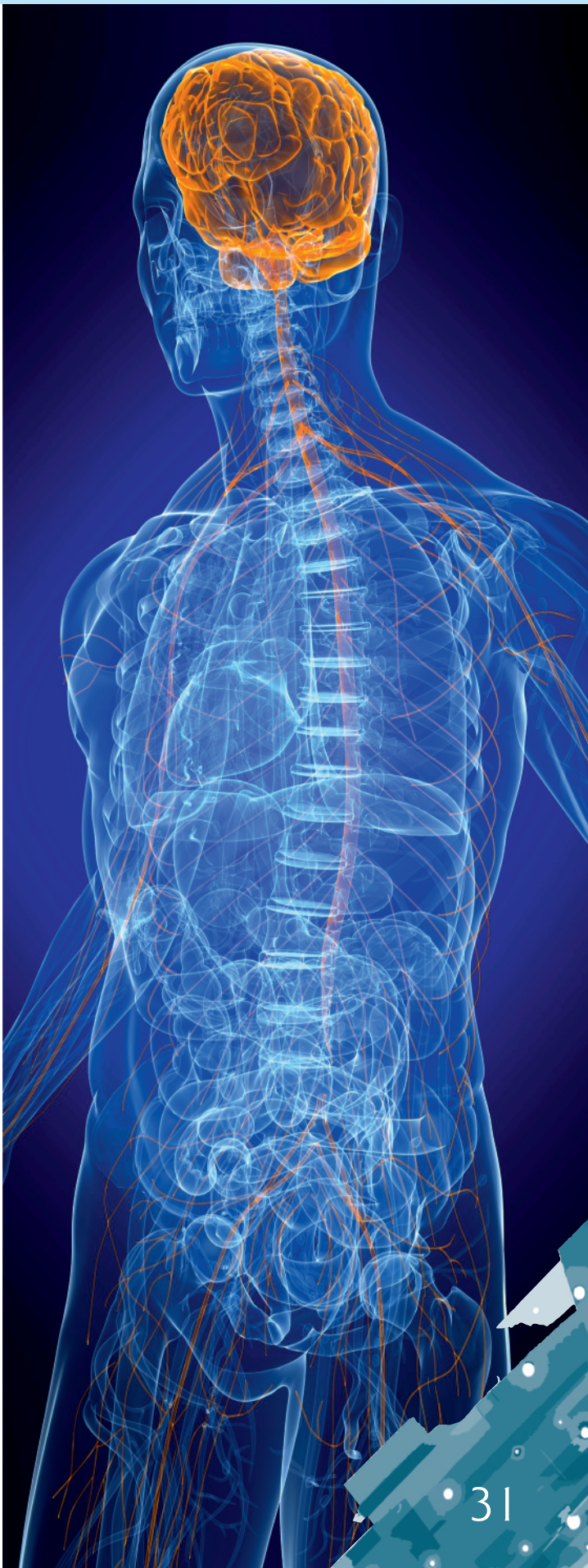
Multihance and Prohance, both marketed by ROVI under a license from Bracco Imaging S.p.A.

Multihance is a paramagnetic contrast agent for use in diagnostic magnetic resonance imaging (MRI) indicated for:

- MRI of the liver for the detection of focal liver lesions in patients with known or suspected primary liver cancer (eg. hepatocellular carcinoma) or metastatic disease.
- MRI of the brain and spine where it improves the detection of lesions and provides diagnostic information additional to that obtained with unenhanced MRI.
- Contrast-enhanced MR-angiography where it improves the diagnostic accuracy for detecting clinically significant steno-occlusive vascular disease in patients with suspected or known vascular disease of the abdominal or peripheral arteries.

Multihance is commercialized in 10, 15 and 20 ml glass vials. Our presentations offer extends to marketing Multihance in prefilled syringes of 10, 15 and 20 ml.

Prohance, using Magnetic Resonance Imaging (MRI), provides contrast enhancement of the brain, spine and surrounding tissues resulting in improved visualization (compared with unenhanced MRI) of lesions with abnormal vascularity or those thought to cause a disruption of the normal blood-brain barrier. Prohance can also be used for whole body MRI including the head, neck, liver, breast, muscoloskeletal system and soft tissue pathologies.
Prohance is commercialized in 10, 15, 20 and 50 ml glass vials and 10 and 17 ml pre-filled glass syringes.



HOSPITAL DIVISION • HOSPITAL DIVISION • HOSPITAL DIVISION • HOSPITAL DIVISION

EmpowerCTA® and EmpowerMR®

IMAGING DIAGNOSTIC AREA

Contrast injection systems

ROVI commercializes EmpowerCTA and EmpowerMR injectors under a license from ACIST Medical Systems.

EmpowerCTA is a dual-syringe, fixed-rate contrast injector for CT procedures.

The EmpowerMR Hydraulic Contrast Injection System is used for MR procedures.

Hepadren®

HAEMODIALYSIS AREA

Low Molecular Weight Heparin

Hepadren is a low molecular weight heparin targeted especially at the nephrology area, for the prevention of clotting in the extracorporeal circuit during haemodialysis.

Fibrilin®

VASCULAR ACCESS AREA

Fibrilin is a ROVI health-care product that has been marketed since November, 2001. It is used for catheter maintenance, preventing the accumulation of fibrin in intravenous peripheral and central catheters, thus avoiding blockage and infection of the catheter.

Siklos®

ORPHAN MEDICINES

Siklos is a drug indicated for the prevention of painful and recurrent blood vessels crisis, such as the acute thoracic syndrome in children and adults who suffer from symptomatic drepanocytosis anaemia.

Siklos is supplied in film-coated tablets, with three slots on each side, containing 1,000 mg of hydroxycarbamide. The tablet can be divided into four equal parts.

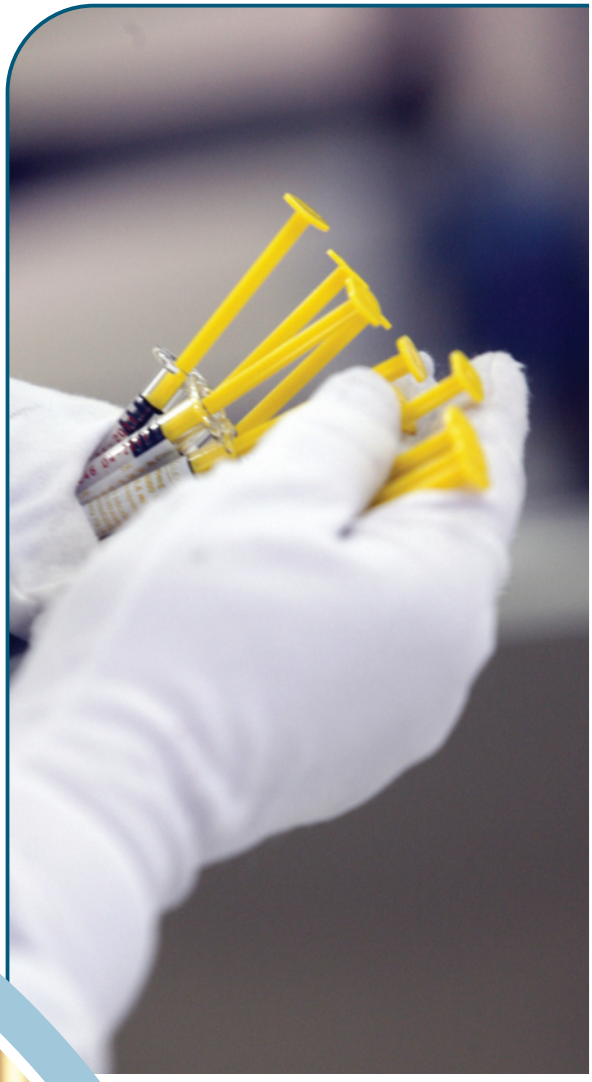
As the drepanocytosis anaemia is a rare disease in Europe, Siklos is considered an orphan medicine by the European Medicines Agency.

Pneumovax® 23

Pneumovax 23 vaccine vial is indicated for active immunization against illness caused by the seroypes of pneumococci included in the vaccine. The product has been marketed by ROVI from 2009 under a co-marketing agreement with Sanofi Pasteur MSD.

Pneumovax is prepared using purified pneumococcal capsular polysaccharide antigens, derived from the 23 serotypes which represent about 90% of the types of the pneumococcal invading disease.

Pneumococcal illness is caused by streptococcus pneumoniae and is a global health problem. In Spain, streptococcus pneumoniae is responsible for 20-30% of all cases of pneumonia, of which 5-20% develop bacteremia (Vila Córcoles A. and colleagues. Effectiveness of the antipneumococcal vaccine in patients older than 65. Medifam 2003; 13(4):297-304).



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Enerzona®

EnerZona is a range of products based on the Zone Diet, a state in which your hormones are balanced to achieve a correct hormonal response meanwhile controlling the insulin levels and providing Omega 3 fatty acids highly purified as well as standardized antioxidants to our diet.

EnerZona Omega 3 Rx is a highly-concentrated and purified fish-oil dietary supplement that allows us to provide an effective dose in a simple way. There are also a wide range of sweet and salty products to help us to maintain the 40%-30%-30% balance, allowing to follow the Zone Diet easily and maximizing the benefits obtained.

The sweet products include: chocolate, coconut and oat biscuits; snacks are available in coconut, chocolate, yoghurt, orange, vanilla and cheese cake flavours; minirocks are available in chocolate flavour; and instant meals can be available in strawberry, cappuccino or chocolate flavour. The savoury options include snacks with black olive or Mediterranean flavours, soy chips and mushroom and vegetable creams.

EnerZone Whey 90% and Enerzone Soy 90% are pure sources of protein.

EnerZona Maqui RX Polyphenols is a food supplement with standardized delphinidine extract from the Maqui berry (Aristotelia chilensis), and vitamins E and B5, indicated to contribute to the antioxidant physiological function.

OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC

Perspirex®

In any situation, including long working days, stress, crowds, events and special occasions, very uncomfortable episodes of sweating can occur.

Perspirex is an antiperspirant treatment developed to control excessive sweating from the armpits. The active substances it contains reduce sweating, physically speaking a minor problem but one which produces a serious social impact.

Perspirex is the market leader in this sector. There is also a hands and feet lotion.

Dentimelo®

Dentimelo is a low molecular weight hyaluronic acid which protects oral mucosa.

The low molecular weight hyaluronic acid, with film-forming properties, promotes the process of skin re-epithelialization.

Dentimelo is indicated to promote the physiological process of repair of oral mucosal lesions and gums, whatever their origin.

There are two presentations, gel and fluid.

OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC • OTC

ColdPack®

ColdPack is a cold bag, used for local application, which mitigates pain and relieves the nerve endings of the affected area. It also reduces inflammation alleviating the sharp sensation experienced with headaches or inflammations due to injuries.

ColdPack can also be used as a hot bag to relieve other pains.

Nitview® Ledcomb

NITVIEW Ledcomb is the new revolutionary system to localize and extract lice and nits in an effective way. It's an innovative product thanks to its patented system which sends out an UV light, attached to a micro-ribbed barbed comb that optimizes the extraction of the lice and nits.

The results of Nitfocus Survey* realized on more than 1,500 families support the efficacy of Nitview Ledcomb: 9 out of 10 families recommend Nitview Ledcomb to locate and extract lice and nits.

(*) Nitfocus Survey of over 1,500 families tested Nitview® Ledcomb.

Activities report

Portugal

ROVI Portugal was established in April 1999, to deal with marketing of the Italian company Bracco's contrast media already sold in Spain.

ROVI and Bracco are now both very successful brands in Portugal. ROVI has increased and consolidated its stake in the contrast media market, leveraging its knowledge of hospital pharmacies and radiologists.

In 2007, we launched in Portugal the first product developed by ROVI, Fibrilin®, which received an excellent response from the market.

Currently, ROVI Portugal prepares the launch of the ROVI main product, Bemiparin, and it has high expectations regarding the success of the product.

ROVI Portugal is enjoying solid yearly growth rates and is outperforming the market, despite difficult economic and political conditions.

Specialization in the hospital market, more dynamic commercial strategies and new products have contributed to the growth of ROVI and to its excellent reputation in a market that is particularly important to the Company.

Activities report

Contract manufacturing

ROVI CM offers contract manufacturing services in a wide range of pharmaceutical forms, including pre-filled syringes, vials, suppositories, tablets, hard capsules and sachets, through our two contract manufacturing plants: ROVI Contract Manufacturing (injectables plant) and Frosst Ibérica (Solid forms plant).

Our main characteristics are:

- quality in products and service;
- an independent company with significant production capacity;
- flexible, committed and totally transparent with our clients;
- confidentiality at the core of how we operate; and
- our commitment to meet the requirements of our customers.

From one single company, ROVI CM provides the full range of services, from the development of a project to the final release of a product, including preliminary clinical trials, stability studies, and physical-chemical and microbiological analyses, with the corresponding savings in time and money for our clients.

The flexibility and versatility of ROVI CM allow us to offer customers all or any of the many services involved in the manufacturing of a pharmaceutical product; a personalized menu for the specific needs of each client.

ROVI CM is currently one of the largest manufacturers of prefilled syringes worldwide, with total yearly capacity of 150 million prefilled syringes. The total yearly capacity of vials is 40 million units and 150 million units of suppositories. ROVI CM also owns one of the largest FDA approved plants for solid forms in Europe with annual capacity for 3 billion tablets.

Injectables plant (ROVI Contract Manufacturing)

We are specialized in filling and packaging parenteral solutions in prefilled SCF syringes from 0.5ml to 20ml (filled from 0.2 ml to 20ml) and vials from 2 ml to 10 ml.

Aseptic filling and terminal sterilisation

Syringes and vials are filled in aseptic conditions in sterile areas. If needed, terminal sterilisation can be performed in a brand new counter-pressure autoclave.

Safety devices

An increasing number of countries are implementing legislation that requires the use of integrated safety devices, in order to minimize the risk of accidental needle stick injury.

We offer the possibility of adding safety devices to preloaded syringes, using new fully automatic equipment that can handle up to 21,000 units per hour.

Water for injection (WFI) in prefilled syringes (PFS)

At our injectable plant recently approved by FDA, it manufactures WFI in PFS for reconstitution/dilution drug products.

Water for Injection is produced according to US and European pharmacopoeia requirements. We provide CTD (Common Technical Document) module 3 & DMF (Drug Master File) including 36 months ICH stability data.

The types of syringes and volumes of WFI are as follows:

- 1ml standard syringes filled with 0.5ml of Water for Injection
- 1.25ml syringes filled with 1ml of Water for Injection
- 3ml syringes filled with 2ml of Water for Injection
- 10ml syringes filled with 5ml and 10ml of Water for Injection
- 20ml syringes filled with 15ml and 20ml of Water for Injection

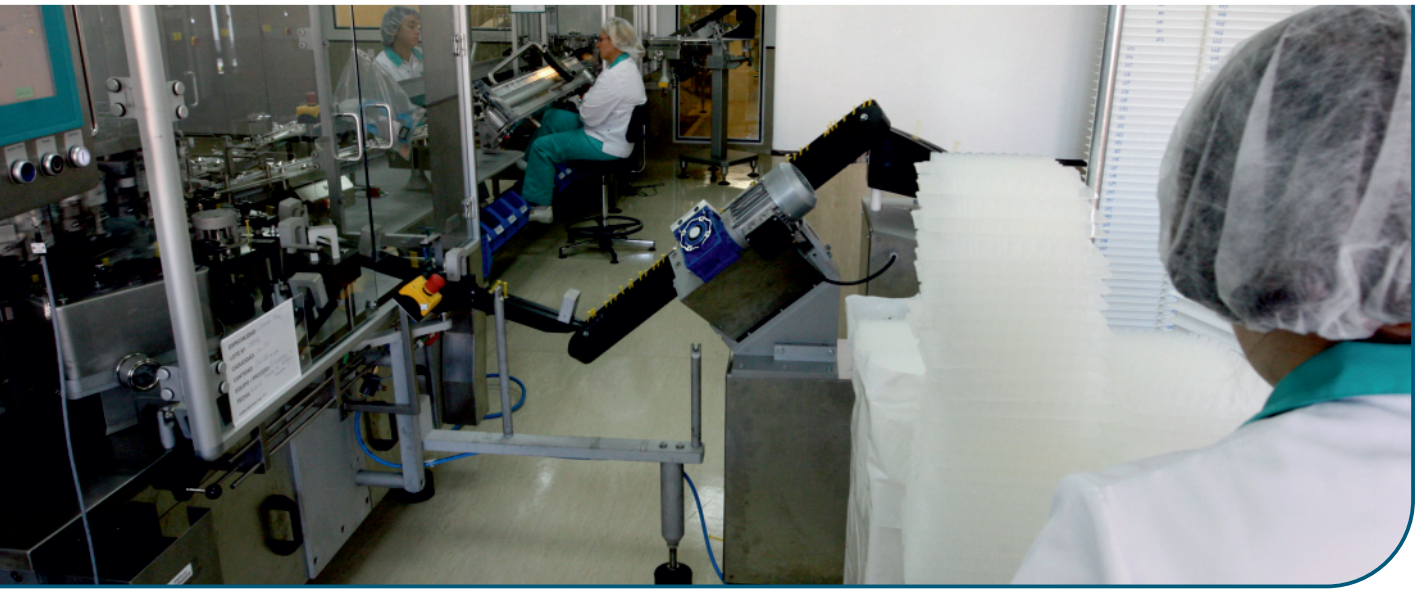
Quality

A laboratory was built in 2005 and it includes two independent areas (microbiology and chemistry labs), enabling 24-hour production.

The plant is approved by the European authorities and also by the authorities of South Korea, Brazil and the countries of the Gulf, and it is ISO (9001, 14001, OSHAS) certified.

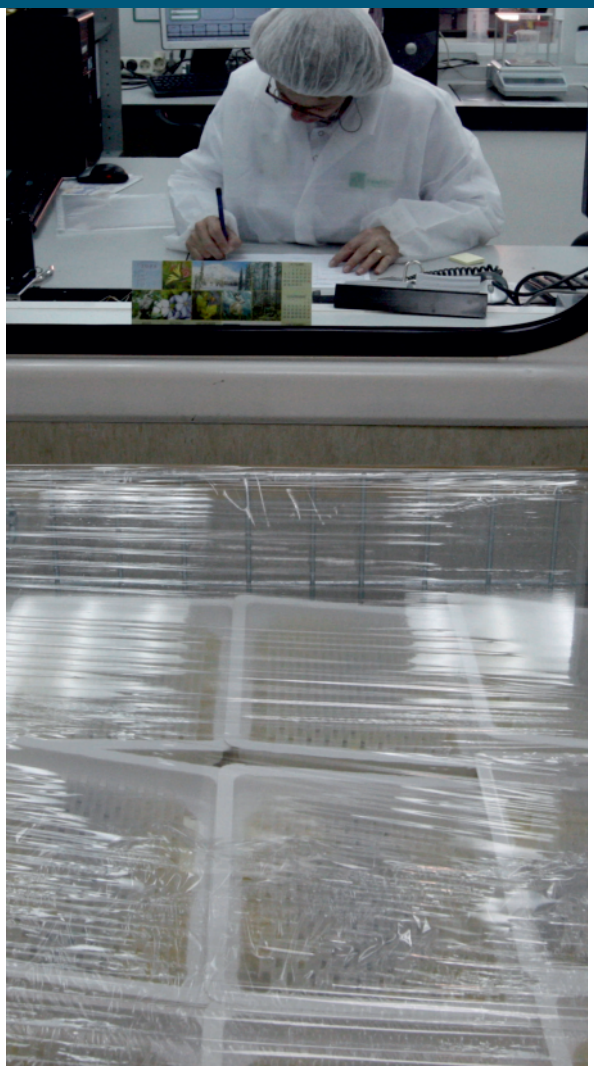
Suppositories

We are also specialist in the manufacturing and packaging of suppositories in aluminum blister packs. Annual capacity: 150 million of suppositories.



Solid forms plant (Frosst Ibérica)

In the agreement reached with Merck Sharp & Dhome (MSD), it was acquired in April 2010 the MSD facility (Alcalá de Henares, Madrid). This plant has a long tradition of manufacturing excellence in pharmaceutical products and uses state of the art technology –to manufacture oral formulations (tablets, coated tablets, hard capsules and sachets).



Technology

In an 83,000m^2 terrain, facilities include:

- Formulation Areas:
  - Dry granulation: highly competitive costs thanks to our high capacity Roller Compactor;
  - Wet granulation (High Shear and Low Shear), including fluid bed drying, milling and ribbon blending;
  - Planetary mixers;
  - Different compression bays for direct compression and granulation compression; and
  - Film coating is also available.

- Packaging Areas:
  - Different high speed blistering lines, flexible blister lines and flexible semiautomatic lines; and
  - Packaging, labeling, marking, overwrapping and casepacking capability for every packaging line. Every line is equipped with high tech vision system capability.

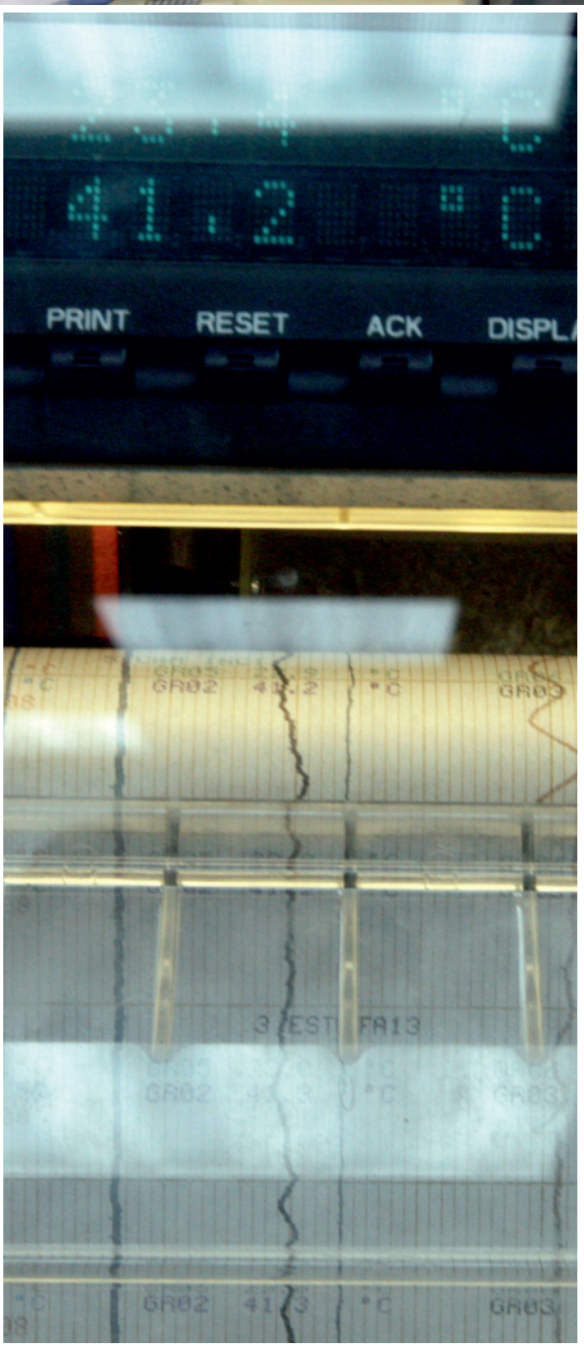
Complete service: production - testing - packaging and storage

- High total and free capacity available to meet medium to very large production requirements (global capacity 3 billion tablets/year);
- From batches of 100 kg up to batches of 1,000 kg;
- Flexible and/or large volume packaging available to comply with customer needs; and
- Large size warehouse (8,000 pallets) which include a cold room (2 to 8 C°) of 400 pallets.

Quality

A brand new quality laboratory was built in 2005 in a separate building (4,600 m^2) and includes a microbiology lab, a chemistry lab and quality assurance offices.

In order to provide access to all markets, this plant is GMP and FDA approved. We also hold Japanese, Mexican, Brazilian and Gulf Countries approval.



Clinical trials

Complying with both American and European quality standards, ROVI CM offers competitive technical support from the standpoints of cost, flexibility and reliability.

ROVI CM offers a wide range of services for the performance of clinical trials, product preparation and filling, labeling, packaging and logistics, always with the most rigorous quality standards. The machinery used is the same as for an industrial-scale batch, so it complies with the latest European regulations on clinical trials.

For ROVI CM, every project is the most important, no matter its size.

Product development

ROVI CM can provide advice on the best strategy to follow, from the introduction of a new product, pre-clinical technical development to a commercial batch. In other words, we are involved in the project management and feasibility studies, launch and preproduction strategies, technological transfer and registration issues.

All of this ensures that the new product complies with all legal requirements and can be launched appropriately in the right place at the right time, with sufficient quantity of products.

Co-Development Projects

In order to increase the manufacturing of both plants Co-Development services (initial model) are offered:

1. Partner chooses and provides the API (active principle);

2. ROVI offers from pre/formulation, scale up, stability batches, regulatory batches, bioequivalence studies if necessary, dossier compilation to manufacturing industrial batches; and

3. Licensing: directly through partner or out-licensing.

We are committed to ensure a personalized service to each partner so we can adapt to variations in our initial Co-development model.

The model proposed is a virtual joint venture with a cost-profit sharing approach.

Management report

ROVI reports an EBITDA growth of 20% and a net profit growth of 18%, underpinned by outstanding Bemiparin sales

- Operating revenue increased by 8% to 217.6 million euros in 2013, mainly driven by the strength of the prescription-based pharmaceutical business, where sales rose 14%, clearly outperforming the market.
- The 2013 guidance (mid-to-high single digit growth rate in operating revenues) has been achieved, despite the drop of 6% experienced by the Spanish pharmaceutical market in 2013.

- For 2014, ROVI expects a mid-to-high single digit growth rate for the operating revenue despite (i) a new contraction in the Spanish pharmaceutical market as forecast by Farmaindustria, and (ii) the continued decreases in the pharmacy retail market at least until 2016 forecast by IMS Health.
- Sales of Bemiparin had an outstanding performance in 2013, with a 20% increase to 66.7 million euros; this growth came both from sales in Spain (+20%) and from international sales (+20%).

- Sales of Corlentor®, from Servier, grew by 31% to 12.0 million euros in 2013. Sales of Absorcol® and Vytorin®, the first of the five licenses of Merck Sharp & Dohme (MSD), increased by 43% to 17.6 million euros in 2013.

- EBITDA increased by 20% to 32.4 million euros in 2013, surpassing the 30.0 million euro milestone for the first time ever in ROVI's history. EBITDA margin stood at 14.9%, reflecting a 1.5 percentage point rise from 13.4% in the previous year.

- Net profit increased by 18% to 23.0 million euros in 2013, compared to the previous year. Thanks to this positive performance, ROVI will propose to the Shareholders General Meeting a dividend of 0.1612 euros per share on 2013 earnings. This dividend would mean an increase of 18% compared to the dividend on 2012 earnings (€0.1366).

Juan López-Belmonte Encina, Chief Executive Officer of ROVI, said that "*in 2013, we reached an excellent 8% operating revenue growth mainly driven by the strength of our specialty pharmaceutical area. We achieved this significant operating revenue growth despite the drop of 6% experienced by the Spanish pharmaceutical market in 2013, what means four years in a row of declines and an accumulate reduction of 27% since year 2009 or a cut of more than 3.300 million euros in annual pharmaceutical expenditure. In addition, and according to Farmaindustria(1), the Spanish pharmaceutical market will experience a new contraction in 2014. Nevertheless, and despite of the difficult situation that the pharmaceutical industry is going through, we forecast to continue growing.*

Once again Bemiparin led the growth with a 20% increase in sales, and both in the domestic and in the international markets. We expect the continued internationalisation of our flagship product to be one of the Company's growth engines in the medium term.

Furthermore, the agreement with MSD allowed us to strengthen our toll manufacturing area, as it has been reflected in the results of the 2010-2013 period (136.8 million euros accumulated revenue in the mentioned period, amounting to 18% of total operating revenue). In 2013, sales of this area became weaker as a consequence of lower volumes manufactured for MSD compared to the exceptional high levels reached in 2012. Nevertheless, we expect our ability to acquire new clients, as we have already shown in the past, will allow us to get back to growth shortly. In addition, the MSD agreement helped us to reinforce our specialty pharmaceutical area, as we showed with the launch, in January 2011, of Vytorin® and Absorcol®, the first of the five licenses from MSD that will contribute to our growth in the coming years. This launch required a significant investment effort in human capital in 2011 in order to address new prescribers, but this effort has resulted in a significant sales growth (+73% CAGR 2011-2013) and in coming years we expect higher sales and relevant operating leverage. In addition, the MSD agreement will allow us to launch four additional new products in the next 6 years, underpinning our belief in the sustainability of the long term outlook for the company.

ROVI's R&D pipeline continues to hold strong potential to drive the company's growth in future years. We are very excited with the potential of the ISM® technology, especially with the Risperidone-ISM® project development, whose phase II trial is planned to start in the first half of 2014. This gives us the confidence and security to continue, not only with our development of Risperidone-ISM®, but also with the development of other candidates with which we are already in an advanced preclinical phase".

(1) http://www.farmaindustria.es/Farma_Public/Imprimir_Public/FARMA_124496?idDoc=FARMA_124496

Financial highlights

	2013	2012	Growth	%Growth
Operating revenue	217.6	201.9	15.7	8%
Other income	1.4	1.2	0.1	10%
TOTAL REVENUE	**218.9**	**203.2**	**15.8**	**8%**
Raw material used and changes in inventories	-84.9	-75.5	-9.4	12%
GROSS PROFIT	**134.1**	**127.6**	**6.4**	**5%**
% margin	61.6%	63.2%		-1.6pp
R&D expenses	-10,5	-9.2	-1.2	13%
Other SG&A	-92,6	-92.7	0.1	0%
Other income	1.4	1.3	0.1	10%
EBITDA	**32.4**	**27.0**	**5.4**	**20%**
% margin	14.9%	13.4%		+1.5pp
EBIT	**25.5**	**21.7**	**3.8**	**18%**
% margin	11.7	10.7%		+1.0pp
Net profit	**23.0**	**19.5**	**3.5**	**18%**

€ million

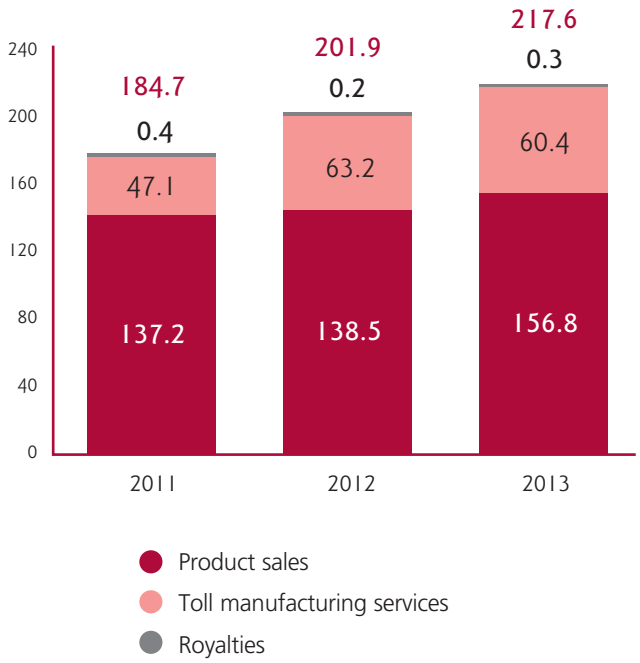
Note: *certain numerical figures included in this document have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.*

Good performance across the Group

Operating revenue increased by 8% to 217.6 million euros in 2013, driven by the strength of the specialty pharmaceutical business, where sales rose 13% to 156.8 million euros, despite the drop of 6% experienced by the Spanish pharmaceutical market in 2013 compared to the previous year.

Operating revenues per business line (€m)

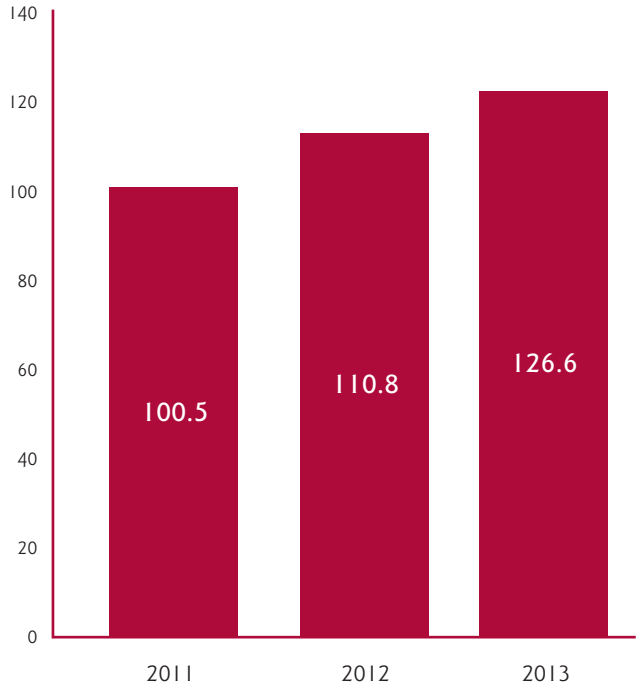
Growth of 8% in 2013

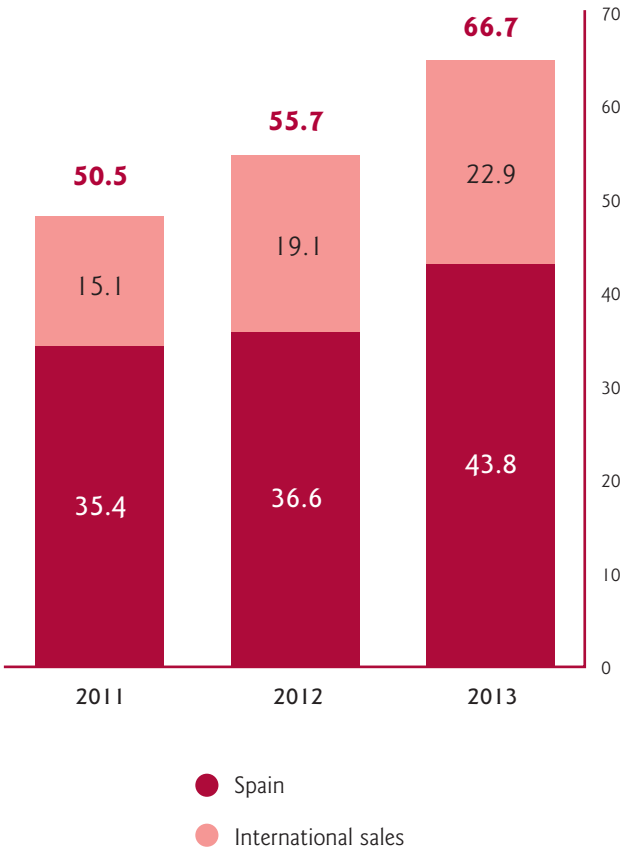


Sales of **prescription-based pharmaceutical products** rose 14% to 126.6 million euros in 2013. In September 2012, ROVI and UCB reached an agreement under which they ended their commercial relationship with regards to Cimzia, which had been jointly co-promoted in Spain by ROVI and UCB since June 2010. Excluding the impact of Cimzia co-promotion in 2012, sales of prescription-based pharmaceutical products increased by 15% in 2013.

Prescription pharmaceutical product sales (€m)

Growth of 14% in 2013

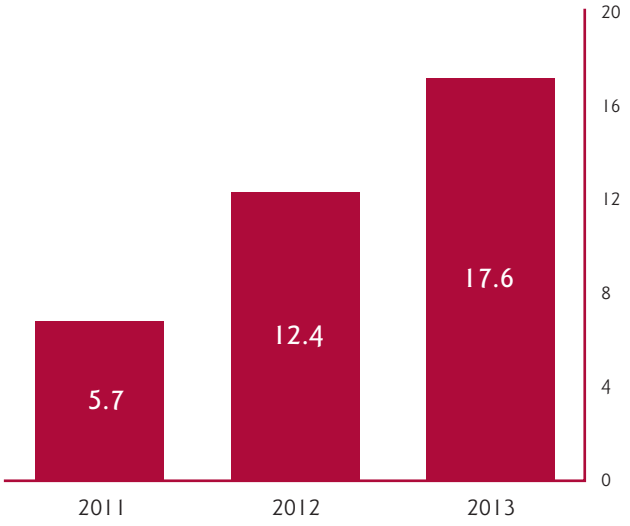




ROVI's low molecular weight heparin (LMWH), **Bemiparin**, had a very positive performance in 2013, with sales up 20% to 66.7 million euros. Sales of Bemiparin in Spain (**Hibor**®) increased by 20% to 43.8 million euros, while international sales also had a 20% rise to 22.9 million euros in 2013 supported by the increased presence of Bemiparin, through strategic alliances, in countries where it was already present, and by the launch of the product in four new countries during 2013: Romania, South Korea, Lebanon and United Arab Emirates. Besides, ROVI has recently obtained registration approval in China and will launch Bemiparin in the Chinese market already in 2014.

Bemiparin sales (€m)

Growth of 20% in 2013



Sales of **Vytorin**® and **Absorcol**®, the first of the five licenses of MSD, launched in January 2011, increased by 43% to 17.6 million euros in 2013.

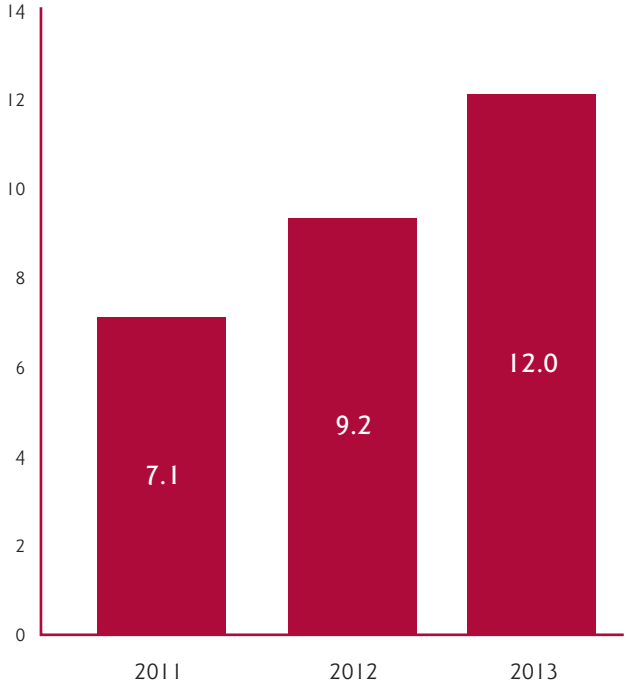
Vytorin and Absorcol sales (€m)

Growth of 43% in 2013

Sales of **Corlentor**®, a specialty product for stable angina and chronic heart failure from Laboratoires Servier, rose 31% to 12.0 million euros in 2013.

Corlentor sales (€m)

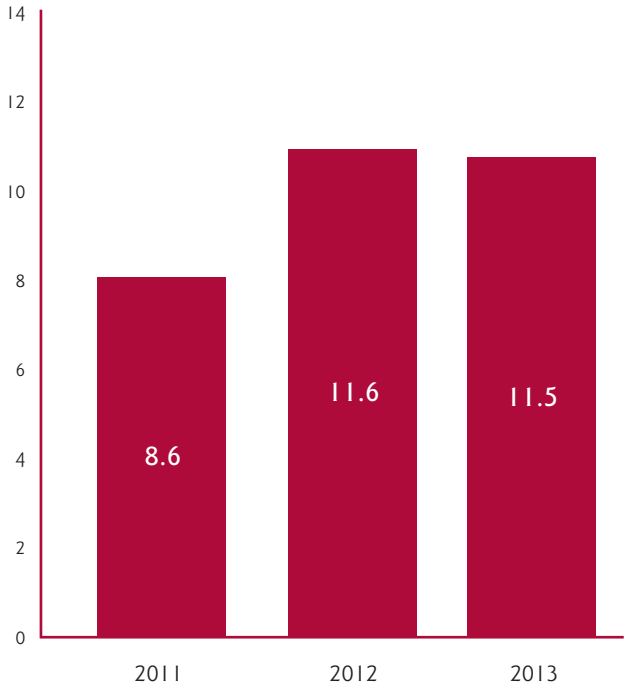
Growth of 31% in 2013

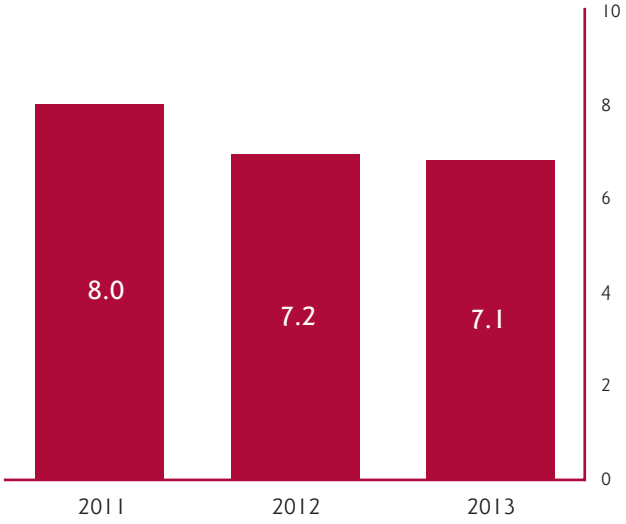


Sales of **Thymanax**®, an innovative antidepressant from Laboratoires Servier, launched in March 2010 and for which ROVI has a co-marketing agreement covering Spain, decreased by 1% to 11.5 million euros in 2013 impacted by the latest measures package introduced by the Spanish Government in April 2012 (and effective on 1 July 2012) which is explained below. Nevertheless, sales of Thymanax® increased by 5% in the last quarter of 2013.

Thymanax sales (€m)

Decrease of 1% in 2013





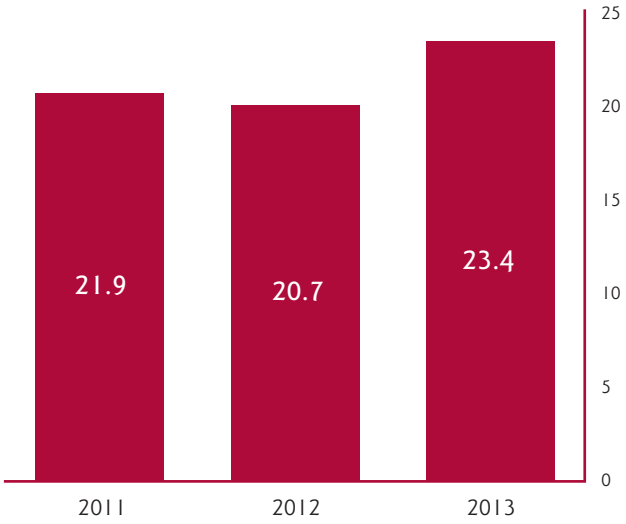
Exxiv sales (€m)

Decrease of 1% in 2013

Sales of **Exxiv**®, a selective COX-2 inhibitor from Merck Sharp & Dohme (MSD), decreased by 1% to 7.1 million euros in 2013, mainly due to a slight deceleration of the COX-2 market.

On 20th of April of 2012, the Spanish government announced a new package of measures in order to achieve savings of more than 7 billion euros in healthcare expenditure. These new measures were published on the official state gazette on the 24th of April (see http://www.boe.es/boe/dias/2012/04/24/pdfs/BOE-A-2012-5403.pdf).

Among these new measures, (i) the exclusion of some drugs from reimbursement and (ii) the pharmaceutical copayment became more relevant. The list of drugs excluded from reimbursement was published on the 29th of June 2012, without any material impact for the ROVI product portfolio, and the pharmaceutical copayment was effective from the 1st of July 2012. The introduction of the latest package of measures, especially the measure related to the pharmaceutical copayment, meant a monthly pharmaceutical expenditure drop of above 20% on average from July to December 2012 and the number of prescriptions was reduced monthly by 15% on average in the same period. This negative trend continued in 2013; according to the date released by the Ministry of Health, both the Spanish pharmaceutical market and the number of prescriptions decreased by 6% in 2013 compared to the same period in the previous year. In conclusion, the average monthly pharmaceutical expenditure and the number of prescriptions have decreased by 19% and 14% respectively since the introduction of the latest package of measures (July 2012) and, according to Farmaindustria[(1)] estimates, pharmaceutical market will fall another 2% in 2014. Despite the difficult situation that the pharmaceutical industry is going through, ROVI forecasts to continue growing.



Sales of contrast imaging agents (€m)

Growth of 13% in 2013

Sales of **contrast imaging agents** and other hospital products increased by 13% to 23.4 million euros in 2013.

(1)http://www.farmaindustria.es/Farma_Public/Imprimir_Public/FARMA_124496?idDoc=FARMA_124496

Sales of **over-the-counter pharmaceutical products** ("OTC") **and Other** declined by 4% to 6.8 million euros in 2013 compared to the previous year, mainly as consequence of the reduction of consumption in the current Spanish economic environment.

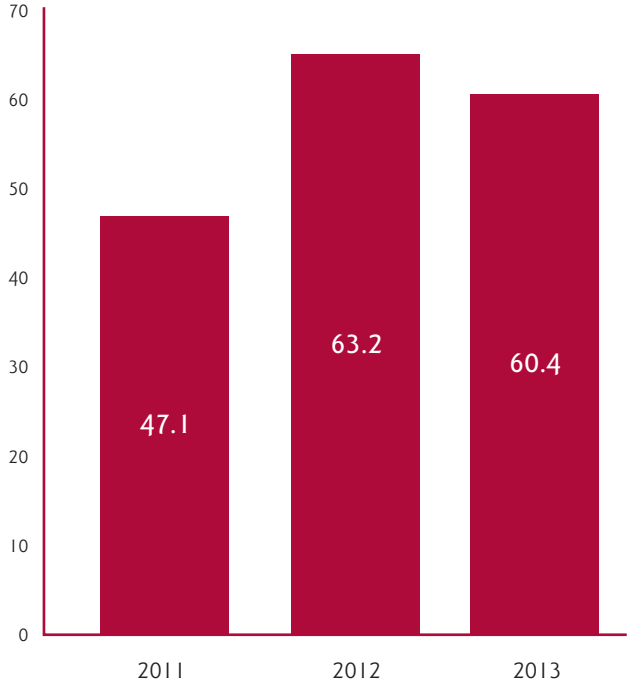
Toll manufacturing sales decreased by 4% to 60.4 million euros in 2013 compared to the previous year. The positive evolution of the injectables plant, whose revenue increased by 17% to 22.3 million euros in 2013, was offset by a 6.1 million euros revenue decline in the Frosst Ibérica plant to 38.1 million euros in 2013, as a consequence of a lower production for Merck Sharp and Dohme (MSD) compared to the exceptionally high levels reached in 2012.

Recently, Frosst Ibérica has signed a partial renewal agreement for the current manufacturing and packaging agreement[(1)] with MSD for an additional five years period, that is, until 31 March 2020. This renewal is related to the product formulation activities and to the packaging activities for MSD's MAXALT™[(2)] (rizatriptan benzoate) tablets and MAXALT-MLT™ (rizatriptan benzoate) orally disintegrating tablets. The current contract will remain in force (i) until April 2015 for the packaging activities of products to be sold outside Spain, and (ii) until 31 March 2017 for the packaging activities of the products intended to be marketed in Spain, in both cases as initially expected. Thanks to this renewal, Frosst Ibérica keeps a significant part of its turnover until April 2020.

After 31 March 2015 there will be an increase in the spare capacity at the Frosst Ibérica facility. Nevertheless, ROVI expects to return shortly to the current usage levels by getting new customers and by increasing production to other current customers.

Toll manufacturing revenues (€m)

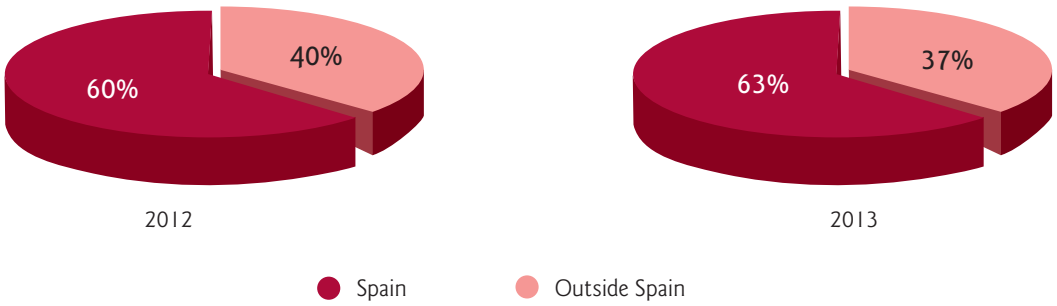
Decrease of 4% in 2013



(1) http://www.rovi.es/ficheros/notas/castellano/87.pdf

(2) MAXALT and MAXALT-MLT are trademarks of Merck Sharp & Dohme Corp., a subsidiary of Merck & Co..

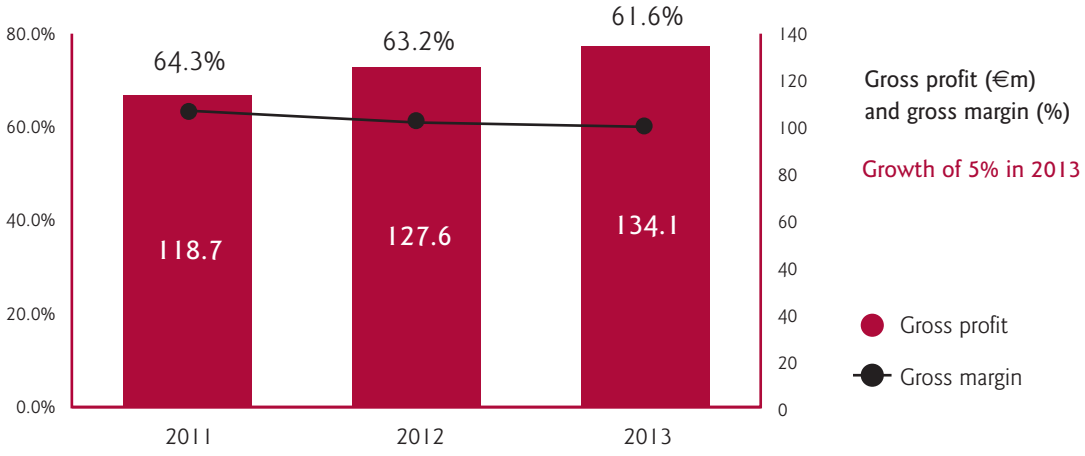
Sales outside Spain represented 37% of operating revenue in 2013 compared to 40% in 2012. This reduction is mainly due to the increase registered in domestic sales of pharmaceutical products.



Gross profit increased by 5% to 134.1 million euros in 2013, reflecting a decrease in the gross margin to 61.6% in 2013 from 63.2% in 2012, mainly as a result of:

- lower margins in the toll manufacturing business due to the increase of the production for clients for which ROVI buys the materials needed in the manufacturing process; and
- the price reduction of the contrast imaging agents and other hospital products that did not impede the achievement of higher sales as consequence of higher volume sold.

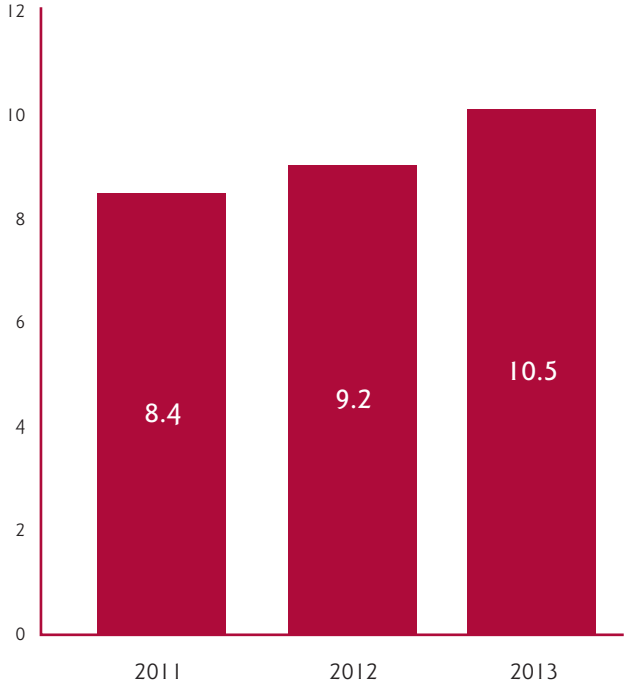
The decrease of the Bemiparin raw material cost impacted positively in the 2013 gross margin. During 2013, ROVI bought Bemiparin raw material at around 35 euros per million of international units (vs. close to 40 euros in 2012). ROVI expects an additional slight reduction in Bemiparin raw material cost during 2014.



Research and development expenses increased by 13% to 10.5 million euros in 2013, reflecting ROVI investments in products that are under development, mainly related to the Risperidone-ISM® project.

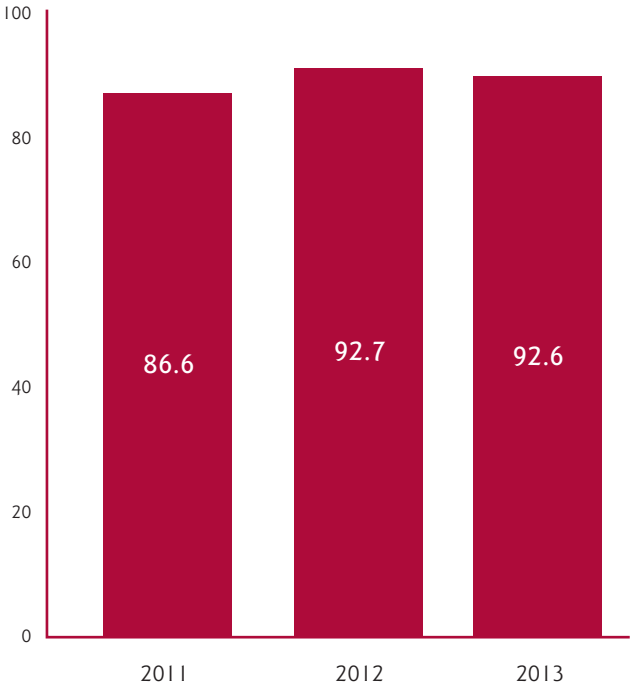
R&D expenses (€m)

Growth of 13% in 2013



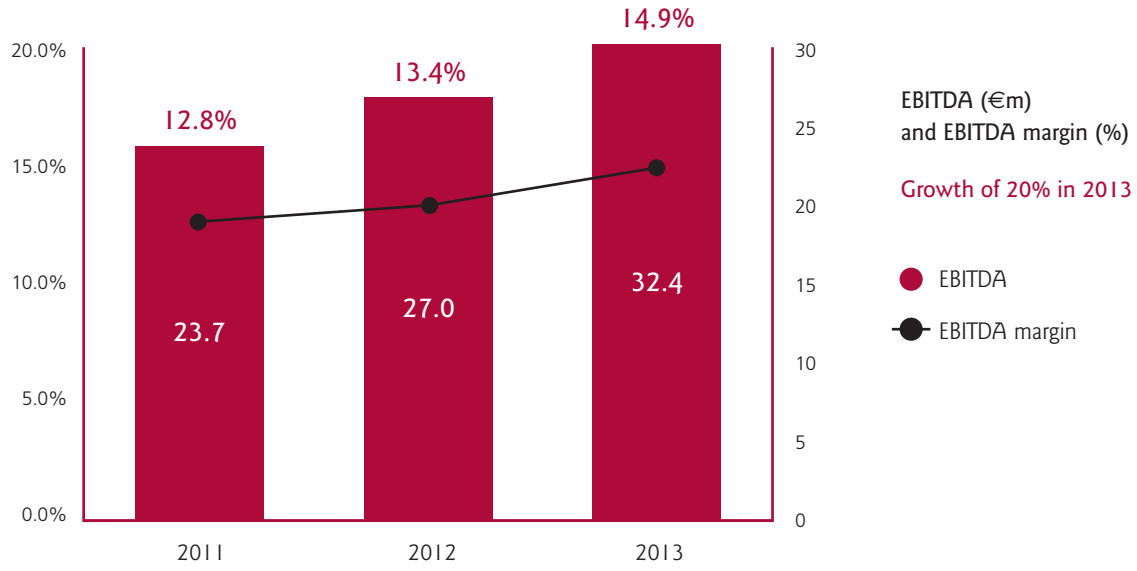
Selling, general and administrative expenses stood at 92.6 million euros in 2013, flat compared to the previous year, despite the increase in sales, thanks to (i) the reduction of the ROVI sales team as a consequence of the end of the commercial relationship with UCB regarding Cimzia in September 2012 and (ii) ROVI's strict cost control policy.

Selling, general and administrative expenses (€m)



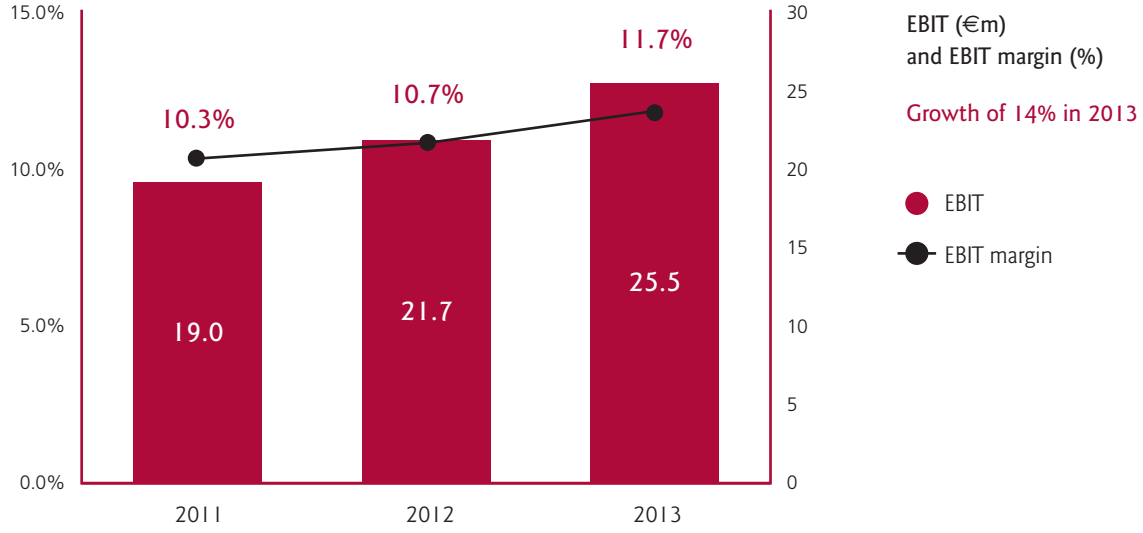
As a result of Frosst Ibérica tax inspection for the tax periods 2006, 2007 and 2008, ROVI registered a compensation of 1.3 million euros in 2012 results on the "**Other income**" item from the owner of Frosst Ibérica during the years inspected, who assumed the payment. On the same line, in 2013 an income of 1.4 million euros was registered related to the compensation received due to the reduction in the negative tax bases from years under inspection.

EBITDA increased by 20% to 32.4 million euros in 2013, compared to the previous year, reflecting a 1.5 percentage point rise in the EBITDA margin to 14.9% up from 13.4% in 2012, thanks to the increase in sales and the operating leverage of the business.



Depreciation and amortisation expenses increased by 31% to 6.9 million euros in 2013, mainly as a result of the new property plant and equipment and intangible assets purchases made during the last twelve months.

EBIT increased by 18% to 25.5 million euros in 2013, compared to the previous year, reflecting a 1.0 percentage point rise in the EBIT margin to 11.7% up from 10.7% in 2012.



Financial expense decreased by 30% in 2013, compared to the previous year. The financial expense line mainly includes the implicit interests registered as a result of the recognition at fair value of the reimbursable loans, at zero interest rate, granted by Public Administrations.

Financial income decreased by 77% in 2013, compared to the previous year, mainly as a result of lower returns on financial investments.

The **effective tax rate** was 5.1% in 2013 compared to 6.4% in 2012. This favourable effective tax rate is due to the deduction of existing research and development expenses and the capitalisation of negative tax bases resulting from the Frosst Ibérica, S.A. integration. As of 31 December 2013, Frosst Ibérica negative tax bases amounted to 57.5 million euros, of which 7.4 million euros will be used in the 2013 income tax.

On the 13th July 2012, the Spanish Government approved by law a package of tax measures (http://www.boe.es/boe/dias/2012/07/14/pdfs/BOE-A-2012-9364.pdf) in order to guarantee budgetary stability and to promote competitiveness. Among these tax measures, the limitation of the negative tax bases to be offset, which was reduced to 25% from 50%, and the tax rate increase for the payment on account, from 27% to 29% for ROVI, as well as the minimum disbursement for this payment, from 8% to 12%, affect ROVI's income tax payable rate.

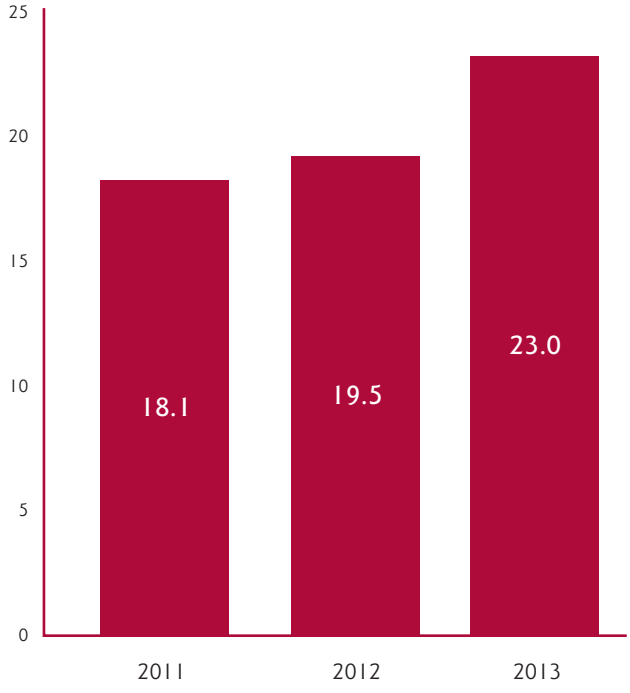
On the 27th December 2012, the Spanish Government approved by law a new package of tax measures (http://www.boe.es/boe/dias/2012/12/28/pdfs/BOE-A-2012-15650.pdf) in order to consolidate public finance and to promote economic activity. Among these tax measures, the limitation of up to 70% of the deduction in the tax base of amortization, both for tangible and intangible assets related to the periods 2013 and 2014, affects ROVI's income tax payable rate.

As a consequence of the signature, on 15 February 2013, of the Conformity Assessment arising from the corporate income tax inspection of ROVI group for the periods 2007 and 2008, the Group recorded a corporate income tax expense of 109 thousand euros in 2013. On the same date, the VAT tax inspection of ROVI group for the same periods ended without any payments to be assumed.

Net profit amounted to 23.0 million euros, an 18% increase compared to the previous year.

Net profit (€m)

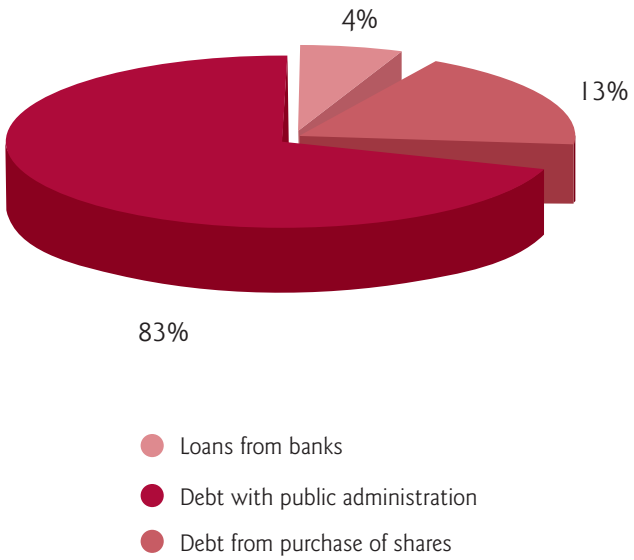
Growth of 18% in 2013



As of 31 December 2013, ROVI had **total debt** of 31.0 million euros, a 19% reduction versus the 38.4 million euros of total debt at the end of 2012. Debt with public administration represented, as of 31 December 2013, 83% of total debt while 96% of total debt is 0% interest rate debt.

In thousand euros	31 December 2013	31 December 2012
Loans from banks	1,212	2,813
Debt with public administration	25,606	27,505
Debt from purchase of shares	4,160	8,072
TOTAL	**30,978**	**38,390**

Debt breakdown as of 31/12/2013 (%)



As of 31 December 2013, ROVI had a **gross cash position** of 36.7 million euros, compared to 45.9 million euros as of 31 December 2012, and a net cash position (available-for-sale financial assets plus deposits plus cash and cash equivalents minus short term and long term financial debt) of 5.8 million euros, compared to 7.5 million euros as of 31 December 2012, providing it with a high level of financial flexibility.

Free cash flow (net cash generated (used) from operating activities minus (plus) property, plant and equipment and intangible assets purchases (sales) plus interest received) decreased to 5.5 million euros in 2013 from 7.3 million euros in 2012, mainly as a result of (i) the 80% capital expenditure increase in 2013 compared to the previous year, and (ii) the collection of 8.1 million euros from the Spanish Public Administrations within the execution of the "Payment to Suppliers Plan" in 2013, which corresponded to pending invoices due for collection by 31st of May 2013, compared to 13.5 million euros collected in 2012 from de Autonomous Regions within the first phase of the "Payment to Suppliers Plan".

Net cash generated from operating activities rose 10.2 million euros to 29.8 million euros, although this increase was offset by the 11.0 million euros higher capex due to the purchase of new products and in-license agreements.

Javier López-Belmonte Encina, Chief Financial Officer of ROVI, said that *"we are satisfied with the results for 2013. Operating revenue increased by 8% compared to the previous year, this way fulfilling our expectations despite the difficulties in the economic and regulatory environments. We attribute this out-performance to the strength of our leading products, which continue to gain share in their various market segments. EBITDA margin increased in 2013, mainly as a result of the operating leverage contributed by our last product launches. It is very gratifying to witness the strength of our balance sheet and our excellent capacity to generate cash, which allow us to finance organic growth through the launch of new products, such as Vytorin®, Medikinet® or Ulunar® and Hirobriz®, and to be in a strong position to benefit in the current operating environment as we will pay attention to potential opportunities to expand our sales base and improve the utilisation of our asset base"*.

Guidance for 2014

For 2014, ROVI expects a **mid-to-high single digit growth rate for the operating revenue** despite (i) a 2% contraction in the Spanish pharmaceutical market as forecast by Farmaindustria(1), the Spanish Pharmaceutical Association, and (ii) the continued decreases in the pharmacy retail market at least until 2016 forecast by IMS Health(2).

ROVI expects its growth drivers to be Bemiparin, the new license agreements (Medikinet® and Hirobriz®), its existing portfolio of specialty pharmaceuticals, contribution from last launches such as Vytorin® and Absorcol®, new product distribution licenses and new contracts in the toll manufacturing area.

(1) http://www.farmaindustria.es/Farma_Public/Imprimir_Public/FARMA_124496?idDoc=FARMA_124496
(2) IMS Market Prognosis March 2013

Dividend payment

ROVI will pay a **dividend** of 0.1612 euros per share on 2013 earnings if the Shareholders General Meeting approves the application of the 2013 profit, under proposal of ROVI's Board of Directors. This proposed dividend would mean an increase of 18% compared to the dividend on 2012 earnings (0.1366 euros per share) and implies a 35% pay-out.

The ROVI General Shareholders Meeting, on 12 June 2013, approved the payment of a gross dividend of 0.1366 euros per share on 2012 earnings. This dividend was paid on 3 July 2013 and it meant an increase of 8% compared to the dividend on 2011 earnings.

Company information

Corporate profile

ROVI is a fully integrated Spanish specialty pharmaceutical company engaged in the research, development, in-licensing, manufacturing and marketing of small molecule and specialty biologic drugs. The Company has a diversified portfolio of products that it markets in Spain through its specialized sales force, calling on specialist physicians, hospitals and pharmacies. ROVI's portfolio of 30 principal marketed products is currently anchored by the internally-developed, second generation low molecular weight heparin, Bemiparin. ROVI's research and development pipeline is focused primarily on the expansion of applications, indications and alternative mechanisms of action for the heparin-derived products and other glycosaminoglycans and on the development of new controlled release mechanisms based on ISM™ technology, with the aim of obtaining new pharmaceutical products that enable the regular administration of formulations which are administered daily in chronic and prolonged treatments. ROVI manufactures the active biological ingredient (Bemiparin) for its principal proprietary products and for injectable pharmaceutical products developed by its own in-house research team, and utilizes its state-of-the-art filling and packaging capabilities to provide a broad array of toll manufacturing services to leading international pharmaceutical companies, primarily in the area of pre-filled syringes. In addition, ROVI provides contract manufacturing and packaging services of solid oral pharmaceutical dosage forms, using the most enhanced technology, Roller Compaction.

Additional information about ROVI is available on the company's website: www.rovi.es.

The history of ROVI

2000 - 2013

2000 start of research into oral administration of Bemiparin.

2001 start of research into technology for enhancers for oral absorption of carbohydrates and protein ("EFOCAP").

2002 internationalisation of ROVI following overseas approval of Bemiparin.

2003 approval of Bemiparin in the UK, Ireland, Portugal, Austria, Greece and Italy.

2003 increased international coverage, whether in stages of registration, pre-registration, or marketing, in a total of 59 countries.

2003 Prince Felipe prize for Business Excellence in technological Innovation.

2004 start of research into technology for release of oral carbohyrdrates and proteins ("OCAP").

2004 sale of the generics division.

2005 licensing agreement with Laboratoires Servier for marketing of Osseor.

2006 start of construction of R&D centre for Bemiparin in Granada.

2007 marketing agreement with Laboratoires Servier for Corlentor.

2007 acquisition of Bertex, a German company specialised in long-acting injectable technology.

2008 agreement with Sanofi Pasteur MSD for marketing of Pneumovax-23.

2008 agreement with Merck Sharp & Dhome International for marketing of EXXIV.

2009 strategic pharmaceutical manufacturing and marketing agreement with Merck Sharp & Dohme (MSD) in Spain.

2010 agreement with EBEWE for the marketing of Bertanel and with Laboratoires Servier for the marketing of Thymanax.

2011 launch of Absorcol and Vytorin, the first of the five licenses from MSD.

2012 obtaining of the FDA approval for the injectables plant.

2013 agreement with Novartis for the marketing of Hirobriz Breezhaler and Ulunar Breezhaler and with Medice for the exclusive commercialization of Medicebran and Medikinet in Spain.

1990s

1994 sale to Pfizer of ROVI glycerine suppositories.

1994 award of certificate for Good Practises in Manufacturing for manufacturing and packaging installations.

1995 start of supply of high added value packaging services to leading international pharmaceutical companies.
Development of a second generation of low molecular weight heparins, Bemiparin, called Hibor.

1998 introduction of Bemiparin in the Spanish market.
Start of activities in Portugal.

1980s

1981 start of research into low molecular weight heparins.
Marketing of Bracco Imaging S.p.A. products in Spain.

1940s - 1970s

- Founded in December 1946.
- Marketing in Spain of licensed specialised products of international pharmaceutical companies.
- Marketing of sodium heparin in the 1950s and 1960s.
- Marketing of calcium heparin in the 1960s and 1970s.

Management team

Mr. Juan López-Belmonte López He holds a degree in business and economics from the Universidad Complutense de Madrid. Besides being the Chairman of our Board of Directors, he is a member of the Board of Directors of Farmaindustria, the Madrid Chamber of Commerce, the Board of Directors of the CEOE, Vicepresident of CEIM (Madrid Business Confederation) and a member of the Management Board of ANEFP.

Mr. Juan López-Belmonte Encina He holds a degree in business and economics from CEU San Pablo de Madrid, with an emphasis in auditing. He is a shareholder of Inversiones Clidia, S.L. (and controlling shareholder of the Company) and our Chief Executive Officer. He began his career carrying out diverse roles for various international pharmaceutical companies including the Nielzen Group in Spain, the Tyco Group in the United States and Boots Pharmaceutical in the United Kingdom. He has been with our Company since 1994 and served as General Director from October 2001 and as Chief Executive Officer from October 2007.

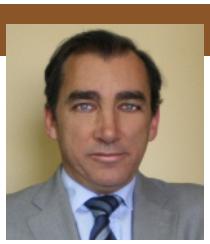
Mr. Iván López-Belmonte Encina He holds a degree in business and economics from the Universidad Complutense de Madrid, with an emphasis in auditing. He is a shareholder of Inversiones Clidia, S.L. (and controlling shareholder of the Company) and our Corporate Development Director. He is also a member of our Board of Directors. He began his career in Germany working for such companies as Amerscham, which focuses on nuclear medicine, and Hexal AG, a pharmaceutical company specializing in generics. He joined our Company in 1994 and has served as Co-General Director from 2001 and as Director of Corporate Development from September 2007.

Mr. Javier López-Belmonte Encina He holds a degree in Business and Economics from the Colegio Universitario de Estudios Financieros (CUNEF) de Madrid, with an emphasis in finance. He is our Chief Financial Officer and a member of our Board of Directors. He began his career in the banking industry in 1998 as an analyst of the former Argentaria, S.A. in the United Kingdom and also worked for Medeva Pharma in the United Kingdom. He joined our Company in 2000 and is the Chief Financial Officer of ROVI since 2001.

Mr. Javier Angulo García A graduate in Law from the University of Deusto, specialised in Financial Law. Until June 2000, he worked in the US multinational Guardian Llodio, as Labour Relations Officer, and from July 2000 until joining ROVI in 2007 he worked in the German multinational pharmaceutical company Schering in Madrid, a company specialised in manufacturing and marketing pharmaceutical products and nuclear medicine equipment, as Director of Administration and Labour Relations. He is the Human Resources Director of ROVI since 2007.

Mr. Pedro Carretero Trillo A graduate in Biological Sciences of the Universidad Complutense of Madrid. He holds a Master's in Commercial Management and Marketing from ESIC and ESEM. He was previously employed as a Molecular Biology sales professional at Cultek and as national Head of Sales and Marketing for Diabetes at Emminens. He joined ROVI in 2002 as Product Manager for Hibor (Bemiparin) and is currently Director of Hospitals for Spain and Portugal.

Mr. Miguel Ángel Castillo Román He is a graduate in Biology and Specialist in Molecular and Cellular Biology from Málaga University (1995-2001). He holds a Master in Business and Administration on Biotech companies from international business school Aliter. He started his professional career in 2003 in Oryzon Genomics, Barcelona, as Marketing Manager and later on he joined Genome Spain Foundation located in Madrid, as Business Development Manager. In January 2006, he joined ROVI as International Product Manager for Hibor (Bemiparin) and currently he is International and Business Development Director.



Mr. Pablo Domínguez Jorge He graduated in Economics and Business of the Universidad Autónoma of Madrid in 1991 with a Master's in Financial Markets from the Carlos V International Centre in 1992. He started his career at Pfizer España S.A. in 1992 and worked there for 15 years, as Head of Treasury and Client Services. In 2007 he joined AstraZéneca España as National Manager of Hospital Accounts. In July 2008 he moved to ROVI, where he is Administrative Financial Director.

Mr. José Eduardo González Martínez A 1973 graduate of the Civil School of the Merchant Marine, he holds a Master's in Marketing and Commercial Direction from the I.E, Instituto de Empresa (1993). He began his career in the pharmaceutical industry in 1975 as Manager in Upjohn Farmaquímica before becoming Regional Manager and then National Sales Manager and Director of Training in the company. From 1989 to 2000, he was Sales Manager in the Hospital Line and Sales Director for the General Line of AstraZeneca. He joined ROVI in January 2001 as Sales Director, and is currently a member of the Board of Directors as Institutional Relations and Communication Director.

Mr. Ibon Gutierro Adúriz He has a PhD in Pharmacy and obtained an Extraordinary Prize for his Pharmacy degree by the País Vasco University. He is specialist in Industrial Pharmacy and Pharmaceutical Technology. He started his professional career as CRA (Clinical Research Associate) in the Medical Department of AstraZeneca in Madrid. He joined ROVI in 2005 as Project Manager in the R&D division, becoming head of the Formulation business in 2007. Currently he is Corporate R&D Director, in charge of R&D, the Medical Department and the Industrial Development area of the company.

Mr. Javier Martínez González He is a graduate in Medicine and Surgery and a Specialist in Pharmaceutical Medicine from the Faculty of Medicine of the Universidad Complutense of Madrid. He was Doctor in Primary Care and the Special Emergency Service of INSALUD until 1990. He then pursued his professional career in clinical research in the Scientific Department of ALK-Abelló in Madrid and in 1993 joined Laboratorios Pfizer, S.A. as Medical Manager of the Therapeutic Area. He joined ROVI in 2002 as Medical Director, and is currently Director of Clinical Development.

Mr. Fernando Martínez Morales A graduate in Industrial Technical Engineering from the Universidad Politécnica of Madrid. He has a long track record in the pharmaceutical sector, working at companies which include Laboratorios Andreu (currently Roche), Upjohn Farmoquimica, Juste SAQF, Astrazeneca, where he worked until 2005 as Head of Sales for the four lines of specialists (Oncology, Hospitals, Urology and Psychiatry), and was subsequently Director of Sales at Astellas Pharma. He joined ROVI in March 2007 as Manager of Sales and has been Director of Sales since September 2009.

Corporate Social Responsibility

Corporate Social Responsibility is composed of the **ethical, social and environmental commitments** that ROVI has voluntarily assumed, as an active part of society that wishes to contribute to social and economic progress, and to improving people's quality of life.

Mission, vision and values

MISSION

We want to work for the well-being of society, promote human health through the production of drugs and medical devices.

We investigated to grow in health.

VISION

ROVI is recognized as a reference for research and production of products aimed at the improvement of health.

VALUES

- All of us are the main asset of the company.
- We feel the changes as real opportunities for development.
- It is important to feel that every day we learn something new.
- We like to assume responsibilities from start to finish.
- We know that we must win the trust of patients every day.
- We make our customers concerns and share their successes.
- Our diversity training, experience and viewpoints make us to be better.
- We are committed to innovative drugs such as engine of growth of ROVI.
- We scored ourselves and our contributors strict ethical standards.
- Our ultimate success depends on the efforts of all.

Groups of interest

The main groups of interest are:

SHAREHOLDERS
To create more value for the long term

CUSTOMERS
To offer a service based on quality and excelence

SOCIETY
To contribute, in an active way, to the sustainable development of the Society

SUPPLIERS
To find in ROVI a partner for the mutual benefit

ENVIRONMENT
To protect the enviroment

EMPLOYEES
To generate enthousiasm and to promote training and motivation

In order to meet the responsibility with them during the year 2013 ROVI has carried out the following actions:

With society

During the year 2013, ROVI has collaborated in various solidarity events by donating more than 1% of ROVI´s profits which has resulted in duplicate donations made during the year 2013.

With the environment

ROVI's commitment to the protection of the environment is strong and constant. One of the key tools to ensure proper management of the environmental aspects is the implantation of the environmental management system according to the criteria established in the ISO 14001:2004 and the Eco Management and Audit Scheme (EMAS).

Main environmental impacts	
Waste generation	During this year 2013 ROVI has managed more than 1.000 tons of hazardous waste.
Power consumption	During the year 2013 there has been a reduction in electricity consumption over 6%, on average, in each of the facilities of the Group.
Water consumption	During the year 2013 there has been a reduction in water consumption over 30%, on average, in each of the facilities of the Group.

With employees

ROVI has exceeded 900 employees, being a staff of highly qualified, young and dynamic based on equal opportunities.

In this sense, and to guarantee the commitment of guidance workers, ROVI has maintained the certificate of compliance with the SA 8000 standard. This standard establishes requirements, based on the international instruments of human rights and national labour laws, to protect and empower all personnel under the control and influence of a company: staff hired by the company and suppliers/subcontractors, sub-suppliers.

- **Equal opportunities for all**: ROVI commitment with its employees, key to the success of the company, is based on helping them to advance in their careers, betting on his job security and reconciling with his personal life.

	Employees	% Men	% Women
2007	502	47.8%	52.2%
2008	547	44.8%	55.2%
2009	550	44.5%	55.5%
2010	783	54.3%	45.7%
2011	834	48.8%	51.2%
2012	911	46.8%	53.2%
2013	970	46.1%	53.9%

- **We invest in people**: during the year 2013 has been nearly 20,000 hours of training, i.e. nearly 20 hours of training per employee.

- **Security first**: for this reason, during the year 2013, ROVI has invested a total of 148,000€ in preventive actions of the health and safety of our staff. Several suggestions, made by our staff, have been also implemented to improve working conditions.

With customers

During the year 2013, we have maintained our customer portfolio with very slight variations. In fact the number of orders has increased only by 1%.

With shareholders

ROVI's main commitment to its shareholders is to create higher value that is sustainable over time.

2013 operating revenues guidance was achieved. The company's credibility is based on its continued compliance with what it announces to its shareholders, potential investors and the financial community.

With suppliers

Providers are a fundamental part of ROVI's value chain, as they contribute to the construction of a global and key responsibility for the continuous improvement of our activity. Therefore, we try they comply with ROVI's commitments to the R.S.C., ranging from the non-recruitment of minors up to the establishment of guidelines for reconciliation of working life has requested our suppliers.

At the end of 2013, almost 55% of them had signed to this commitment.

Corporate Governance

Share Capital

As of 31 December 2013, the share capital of Laboratorios Farmacéuticos ROVI, S.A. fully subscribed and paid in and composed of ordinary shares each of nominal value of 0.06 euros, and represented by book entries, was as follows:

Share Capital (euros)	3,000,000.00
Number of shares	50,000,000
Number of voting rights	50,000,000

Holders of Significant Shareholdings

The shareholders of significant stakes in the capital share of Laboratorios Farmacéuticos ROVI, S.A., either directly or indirectly, of above 3% of share capital, of which the Company is aware, according to the information contained in the official registers of the Comisión Nacional del Mercado de Valores (CNMV) on 31 December 2013, are as follows:

	% direct	% indirect	TOTAL
Inversiones Clidia, S.L.	66,840 (*)	-	66,840
Bestinver Gestión, S.A. SGIIC	-	5,098	5,098
Norges Bank	3,033	-	3,033
INDUMENTA PUERI, S.L.	5,000	-	5,000

(*) Inversiones Clidia, S.L., which owns 66.840 percent of the capital share of the Company, is 52.288 percent owned by Mr. Juan López-Belmonte López.

Board of Directors

In accordance with the Company Statutes, the Board of Directors of Laboratorios Farmacéuticos ROVI, S.A, must be composed by no less than five and nor more than fifteen members. In accordance with these provisions, the Board of Directors as of 31 December 2013 was composed as follows:

	Member of Board of Directors since	Appointments and Remuneration Committee	Audit Committee	Directors condition	
				Executive	Independent
Mr. Juan López-Belmonte López President and Chief Executive Officer	27/07/2007			✓	
Mr. Juan López-Belmonte Encina Chief Executive Officer	27/07/2007	✓		✓	
Mr. Enrique Castellón Leal Vicepresident	24/10/2007	✓	✓		✓
Mr. Javier López-Belmonte Encina Director	27/07/2007		✓	✓	
Mr. Iván López-Belmonte Encina Director	27/07/2007			✓	
Mr. Miguel Corsini Freese Director	12/11/2008	✓	✓		✓
Mr. Jose Félix Gálvez Merino Secretary non director					

Committees of the Board of Directors

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is composed of three directors, the majority of whom are independent. Its main role is to inform and to present to the Board of Directors proposals on appointments and resignations of directors and top managers; to evaluate the competences, know-how and experience necessary on the Board, and the time and dedication that is required of each member to carry out a director's functions adequately; to establish and review the Company criteria to be followed by the management team about its composition; and to monitor and ensure the transparency of the remuneration policy established by management. The Committee makes reports, establishes policies, and makes proposals on the areas of its competence, which are submitted to the Board of Directors for their consideration and, if applicable, approval.

Audit Committee

The Audit Committee is composed of three members of the Board of Directors, the majority of whom are independent, who are appointed based on their know-how and experience in the accounting, auditing, or risk management areas. The Committee meets each quarter in order to review the financial information that as a listed company the Company is required to publish regularly. The Committee, among other functions, monitors the process of preparing the financial information of the Company and the Group and confirms the accuracy of the information, regularly reviews the information and internal control systems and risk management policies, and monitors the independence and effectiveness of internal and external auditors. The Board of Directors must consider and come to decisions on any proposals and reports that are submitted to it by the Committee.

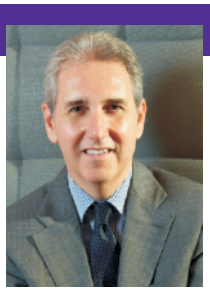
Professional profile of members of the Board of Directors

Mr. Juan López-Belmonte López
See section "Management Team" (page 62)

Mr. Juan López-Belmonte Encina
See section "Management Team" (page 62)

Mr. Javier López-Belmonte Encina
See section "Management Team" (page 62)

Mr. Iván López-Belmonte Encina
See section "Management Team" (page 62)



Mr. Enrique Castellón Leal A graduate in Medicine and Surgery and a Specialist in Internal Medicine at the Universidad Complutense of Madrid and in Business and Economics at the Universidad Autónoma of Madrid. He holds a Master's in Public Health and a Master's in Health Policy and Management from Harvard University. He was practitioner in the Internal Medicine Service of the Hospital Clínico San Carlos de Madrid, a member of the Medical Inspectors of Social Security, Director General of the Galician Health Service, Deputy Director for Health and Social Services in the Community of Madrid, and Undersecretary in the Ministry of Health and Consumers. He also regularly advises various foundations which carry out research in health services, and provides consulting services for Castellón Abogados. He has worked as a consultant in health policies for the Interamerican Development Bank (part of the World Bank), and is a founding partner and Chairman of the Board of Directors of CrossRoadBiotech SCR.

Mr. Miguel Corsini Freese A Law graduate and an expert in employment law. His career was for many years associated with Renfe, where he was Chairman of the Board from 1996 to 2004. He is currently Vice Chairman of the Business Federation of Madrid (CEIM) and a member of the Management Board of the Spanish Confederation of Business Organisations (CEOE). In October 2007, Mr Corsini was appointed first Vice Chairman of the Chamber of Commerce of Madrid. In January 2010, he was appointed member of the Control Commission of Caja Madrid. He is a member of the Board of Directors of various companies, including Mutua Madrileña Automovilista, Testa Inmuebles in Renta (Grupo Sacyr-Vallehermoso), Autoclub Mutua Madrileña, S.L., MM Globalis, S.A.U. de Seguros y Reaseguros y MM Hogar, and S.A.U. de Seguros y Reaseguros.

Financial report

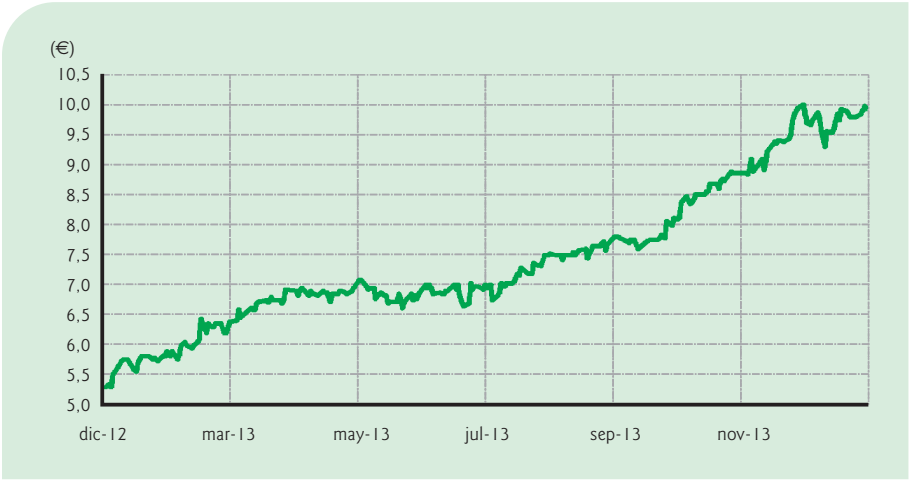
THE FOLLOWING FINANCIAL INFORMATION IS EXTRACTED FROM THE ANNUAL ACCOUNTS OF LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2013 AUDITED BY THE AUDITING FIRM OF PRICEWATERHOUSECOOPERS AUDITORES, S.L. THESE ANNUAL ACCOUNTS MAY ALSO BE OBTAINED FROM www.rovi.es.

Stock market capitalisation

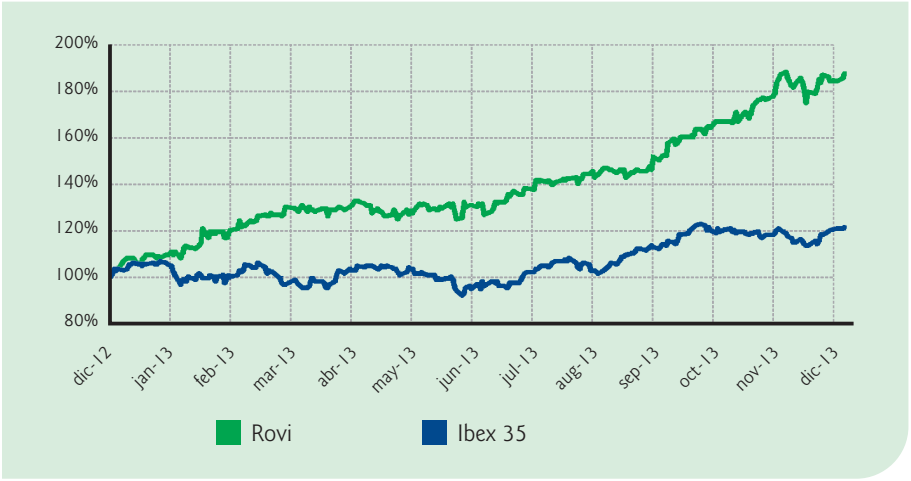
On the December 5th 2007, ROVI carried out an Initial Public Offering (IPO) of shares initially intended for qualified investors in Spain and to qualified institutional investors abroad. The face value of the operation, without including the shares corresponding to the green shoe purchase option, was 17,389,350 shares already issued and in circulation with a nominal value of 0.06 euros per share, giving a total nominal amount of 1,043,361 euros. The offering price for the operation was 9.60 euros per share.

ROVI shares performed excellently in 2013, beating the IBEX 35 index by 67 percentage points. ROVI's share price increased by 88% from 31 December 2012 to 31 December 2013 compared with an IBEX 35 index increase of 21% in the same period.

The following graph shows the fluctuations of the share price in the stock market in 2013.



The following chart shows the performance of the share price of ROVI compared with the IBEX 35 index in 2013.



General Information

Laboratorios Farmacéuticos Rovi, S.A. (the "parent company" or "the Company"), the parent company of the Group, was incorporated as a public limited company ("sociedad anónima") in Madrid on 21 December 1946. It is entered in the Companies Register of Madrid, sheet 1,179, folio 197 of volume 713 of Companies Book 283. The registered office and the tax address of Laboratorios Farmacéuticos Rovi, S.A. is located at Julián Camarillo, 35, Madrid. Its head office is at the same address in Madrid.

The Company's principal activity is the sale of its own pharmaceutical products and the distribution of other products for which it holds licences granted by other laboratories for specific periods, in accordance with the terms and conditions contained in the agreements entered into with said laboratories.

Laboratorios Farmacéuticos Rovi, S.A. is the parent of a pharmaceutical business group (hereinafter, "ROVI" or "Rovi Group" or "Group") engaged in the production and sale of pharmaceutical products. The Group's main product is Bemiparin, a low molecular weight heparin, which is marketed in various countries. At 31 December, 2013, Inversiones Clidia, S.L. was the owner of 66.84% of the shares of Laboratorios Farmacéuticos Rovi, S.A. The registered office of Inversiones Clidia, S.L. is located at Julián Camarillo, 35, Madrid and its consolidated annual accounts are registered in the Companies Register of Madrid.

The Company's shares are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and included in the Spanish Stock Exchange Interconnection System (Continuous Market).

Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries balance sheet (thousands of euros)

	2013	2012
ASSETS		
Non-current assets		
Property, plant and equipment	60,199	53,791
Intangible assets	14,468	3,176
Deferred tax assets	7,517	6,073
Available-for-sale financial assets	16,121	28,148
Financial receivables	135	133
	98,440	91,321
Current assets		
Inventories	58,747	56,225
Trade and other receivables	55,919	54,377
Current income tax assets	3,416	3,855
Cash and cash equivalents	19,401	16,585
	137,483	131,042
TOTAL ASSETS	235,923	222,363
EQUITY		
Capital and reserves attributable to Company shareholders		
Share capital	3,000	3,000
Legal reserve	600	600
Treasury shares	(782)	(2,060)
Retained earnings and voluntary reserves	118,943	105,692
Profit for the year	23,022	19,514
Reserve for available-for-sale assets	(319)	(299)
Total equity	144,464	126,447
LIABILITIES		
Non-current liabilities		
Financial debt	22,578	29,135
Deferred income tax liabilities	2,637	3,256
Non-current deferred revenues	7,904	(8,393)
	33,119	40,784
Current liabilities		
Trade and other payables	43,485	39,878
Financial debt	8,400	9,255
Current deferred revenues	4,084	4,348
Provision for other liabilities and charges	2,371	1,651
	58,340	55,132
Total liabilities	91,459	95,916
TOTAL EQUITY AND LIABILITIES	235,923	222,363

Consolidated income statement (thousands of euros)

Year ended 31 December

	2013	2012
Revenue	217,587	201,923
Cost of sales	(84,895)	(75,513)
Employee benefit expenses	(55,619)	(53,546)
Other operating expenses	(47,401)	(48,359)
Depreciation, amortization and impairment charges	(6,943)	(5,320)
Recognition of government grants on non-financial non-current assets and other	1,358	1,236
Other income	1,385	1,256
OPERATING PROFIT	**25,472**	**21,677**
Finance income	307	1,341
Finance costs	(1,528)	(2,180)
FINANCE COSTS - NET	**(1,221)**	**(839)**
PROFIT BEFORE INCOME TAX	**24,251**	**20,838**
Income tax	(1,229)	(1,324)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	**23,022**	**19,514**
Profit for the year from discontinued operations	-	-
PROFIT FOR THE YEAR	**23,022**	**19,514**
Earnings per share (basic and diluted) attributable to the shareholders of the Company (euros):		
- Basic and diluted	0.46	0.39

Consolidated statement of changes in equity (thousands of euros)

	Share capital	Legal reserve	Treasury shares	Retained earnings and voluntary reserves	Profit for the year	Reserve for available-for-sale assets	TOTAL EQUITY
Balance at 1 January, 2012	**3,000**	**600**	**(1,922)**	**93,920**	**18,127**	**256**	**113,981**
Total comprehensive income	-	-	-	-	19,514	(555)	**18,959**
Transfer of 2011 profit	-	-	-	18,127	(18,127)	-	**-**
Dividends 2011	-	-	-	(6,345)	-	-	**(6,345)**
Acquisition of treasury shares	-	-	(1,838)	-	-	-	**(1,838)**
Reissue of treasury shares	-	-	1,700	(212)	-	-	**1,488**
Dividends treasury shares	-	-	-	45	-	-	**45**
Sale of 50% Alentia Biotech, S.L.	-	-	-	157	-	-	**157**
Balance at 31 December, 2012	**3,000**	**600**	**(2,060)**	**105,692**	**19,514**	**(299)**	**126,447**
Total comprehensive income	-	-	-	-	23,022	(20)	**23,002**
Transfer of 2012 profit	-	-	-	19,514	(19,514)	-	**-**
Dividends 2012	-	-	-	(6,830)	-	-	**(6,830)**
Acquisition of treasury shares	-	-	(3,466)	-	-	-	**(3,466)**
Reissue of treasury shares	-	-	4,744	517	-	-	**5,261**
Dividends treasury shares	-	-	-	50	-	-	**50**
Balance at 31 December, 2013	**3,000**	**600**	**(782)**	**118,943**	**23,022**	**(319)**	**144,464**

Consolidated statement of cash flows (thousands of euros)

	Year ended 31 December	
	2013	2012
Cash flows from operating activities		
Profit before tax income	24,251	20,838
Adjustments for non-monetary transactions:		
Amortization, depreciation and impairment	6,943	5,320
Interest income	(307)	(1,341)
Gains or losses on derecognition of available-for-sale assets	-	21
Interest expense	1,528	2,180
Net changes in provisions	720	402
Grant on non-financial assets and income from distribution licences	(1,127)	(999)
Changes in working capital:		
Trade and other receivables	(331)	12,359
Inventories	(2,522)	(14,919)
Trade and other payables	3,607	(2,074)
Other collections and payments:		
Proceeds from distribution licences	70	-
Interest paid	(172)	(105)
Income tax cash flow	(2,844)	(2,068)
Net cash generated (used) in operating activities	**29,816**	**19,614**
Cash flows from investing activities		
Purchases of intangible assets	(12,005)	(915)
Purchases of property, plant and equipment	(12,678)	(12,805)
Proceeds from sales of property, plant and equipment	40	26
Purchases of available-for-sale assets	-	(30,859)
Proceeds from sales of available-for-sales assets	11,957	7,737
Contracting current bank deposits	(103)	(1,055)
Liquidating current bank deposits	-	7,014
Loans granted to related parties	(1,050)	-
Cash decrease due to sale of Alentia Biotech, S.L.	-	(10,278)
Interest received	307	1,341
Net cash generated (used) in investing activities	**(13,532)**	**(39,794)**
Cash flows from financing activities		
Repayments of financial debt	(9,384)	(8,833)
Proceeds from financial debt	901	2,757
Purchase of treasury shares	(3,466)	(1,838)
Reissue of treasury shares	5,261	1,488
Dividends paid	(6,780)	(6,300)
Net cash generated (used) in financing activities	**(13,468)**	**(12,726)**
Net (decrease)/increase in cash and cash equivalents	**2,816**	**(32,906)**
Cash and cash equivalents at beginning of the year	**16,585**	**49,491**
Cash and cash equivalents at end of the year	**19,401**	**16,585**

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Property, plant and equipment

The breakdown of the movement on the different categories of property, plant and equipment is shown below:

	Land and buildings	Technical facilities, machinery and tools	Furniture, fittings and other	IT equipment and vehicles	Total
Balances at 01.01.12					
Cost or valuation	31,646	91,640	2,768	7,384	**133,438**
Accumulated amortization	(16,709)	(63,980)	(1,824)	(5,068)	**(87,581)**
Net carrying amount 01.01.12	**14,937**	**27,660**	**944**	**2,316**	**45,857**
Additions	-	11,151	139	1,515	**12,805**
Retirements	-	(68)	-	-	**(68)**
Eliminations from amortization	-	42	-	-	**42**
Amortization charge	(166)	(3,541)	(94)	(1,044)	**(4,845)**
Balances at 12.12.12					
Cost or valuation	31,646	102,723	2,907	8,899	**146,175**
Accumulated amortization	(16,875)	(67,479)	(1,918)	(6,112)	**(92,384)**
Net carrying amount 31.12.12	**14,771**	**35,244**	**989**	**2,787**	**53,791**
Additions	428	10,776	24	1,450	**12,678**
Retirements	-	-	-	(82)	**(82)**
Eliminations from amortization	-	-	-	42	**42**
Amortization charge	(172)	(4,671)	(109)	(1,278)	**(6,230)**
Balances at 12.12.13					
Cost or valuation	32,074	113,499	2,931	10,267	**158,771**
Accumulated amortization	(17,047)	(72,150)	(2,027)	(7,348)	**(98,572)**
Net carrying amount 31.12.13	**15,027**	**41,349**	**904**	**2,919**	**60,199**

The additions recognized in 2013 relate mostly to investment in the injectables plant for acquisition of two automatic inspection machines and the optimization of the plant for the ISM project. The additions recognized in 2012 principally related to preparation of the injectables plant for the FDA (US Food and Drug Administration) inspection and to development of the ISM project, as well as investments in machinery at the Granada plant.

In 2013 and 2012, there were no impairments of property, plant and equipment.

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Intangible assets

Movement on intangible assets was as follows:

	Patents and industrial property	Trademarks and licences	Computer software	Total
Balances at 01.01.12				
Cost or valuation	741	402	5,876	7,019
Accumulated amortization	(36)	(67)	(4,180)	(4,283)
Net carrying amount 01.01.12	**705**	**335**	**1,696**	**2,736**
Additions	130	101	684	915
Amortization charge	(36)	(26)	(413)	(475)
Balances at 12.12.12				
Cost or valuation	871	503	6,560	7,934
Accumulated amortization	(72)	(93)	(4,593)	(4,758)
Net carrying amount 31.12.12	**799**	**410**	**1,967**	**3,176**
Additions	-	11,032	973	12,005
Amortization charge	(154)	(20)	(539)	(713)
Balances at 12.12.13				
Cost or valuation	871	11,535	7,533	19,939
Accumulated amortization	(226)	(113)	(5,132)	(5,471)
Net carrying amount 31.12.13	**645**	**11,422**	**2,401**	**14,468**

The additions recognized in "Trademarks and licences" relate to the acquisition of the marketing rights in Spain for:

- Medicebran® and Medikinet®, products for use in the treatment of ADHD (Attention Deficit Hyperactivity Disorder), and
- Hirobriz® Breezhaler®, bronchodilator inhaler.

The 2013 additions likewise include acquisition of the health registration for the pharmaceutical product Rodhogil® in Spain.

Research and development expenditure incurred in 2013 was 10,469 thousand euros (9,248 thousand euros in 2012).

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Inventories

	2013	2012
Raw materials & other consumables	16,531	15,902
Work in progress & semi-finished goods	15,506	10,078
Finished goods produced internally	5,235	8,601
Marketing products	21,475	21,644
Total inventories	58,747	56,225

The inventories purchase/sale commitments for the Group at the year end were as normal in its course of its business. Management estimates that meeting these commitments will not generate losses for the Group. The Group has insurance policies to cover the risks the inventories are exposed to. The insurance cover is considered sufficient.

Trade and other receivables

The breakdown of current trade and other receivables is as follows:

	2013	2012
Trade receivables	45,383	45,265
Less: provision for impairment of receivables	(1,537)	(1,450)
Trade receivables - Net	**43,846**	**43,815**
Other receivables	236	209
Receivables from related parties	975	908
Deposits	1,223	1,119
Employee advances	124	144
Public authorities	9,650	8,315
Total	56,054	54,510
Less: Non-current portion: Financial receivables	135	133
Current portion	55,919	54,377

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Application of profit

The proposed application of the profit for the year 2013 and other reserves of the parent company, determined on the basis of generally-accepted accounting principles in Spain, that will be submitted to the General Meeting of Shareholders, together with the application approved for 2012 based on the profit of the parent company, is as follows:

	2013	2012
Basis of application		
Profit for the year	25,111	20,634
Application		
Dividend	8,060	6,830
Retained earnings	17,051	13,804
Total application of profit	25,111	20,634

Trade and other payables

The breakdown of current trade and other payables is as follows:

	2013	2012
Trade payables	34,421	32,005
Payables to related parties	1,213	1,088
Outstanding remuneration	4,429	3,119
Public authorities	1,920	2,852
Other payables	1,502	814
Total trade and other payables	43,485	39,878

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Financial Debt

	2013	2012
Non-current		
Bank borrowings	560	1,213
Debt with government entities	22,018	24,010
Debt on acquisition of Frosst Ibérica, S.A.	-	3,912
	22,578	29,135
Current		
Bank borrowings	652	1,600
Debt with government entities	3,588	3,495
Debt on acquisition of Frosst Ibérica, S.A.	4,160	4,160
	8,400	9,255
Total financial debt	**30,978**	**38,390**

At 31 December, 2013, ROVI had a total debt of 30,978 thousand euros. Debt with public administration represented 83% of total debt in 2013, from 72% in 2012. This section mainly contains the reimbursable advances that, since the 2001 financial year, Laboratorios Farmacéuticos ROVI, S.A., along with other companies in the Group since 2007, has been awarded by official national and regional bodies to fund different R&D projects. These reimbursable advances, as they are subsidies, do not accrue any interest charges. As of 31 December, 2013, 96% of the Group total debt is 0% interest rate debt.

Another significant heading among the borrowings is that for bank borrowings, which reflects loans with three financial institutions as of December 31, 2013. Parts of the financial expenses generated by these transactions have also been subsidized by official entities.

The Group's objective in relation to the management of capital is to maintain a low level of leveraging which will make it easier for the Group to obtain additional borrowings if required in order to make new investments. The leverage index or gearing ratio at 31 December 2013 and 2012 were as follows:

	2013	2012
Financial debt	30,978	38,390
Less: Cash and cash equivalents	(19,401)	(16,585)
Net debt	11,577	21,805
Equity	144,464	126,447
Leverage index/gearing ratio	8.01%	17.24%

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Deferred revenues

	2013	2012
Non-current		
Deferred revenues on distribution licenses	840	1,005
Deferred revenues on grants	7,064	7,388
	7,904	8,393
Current		
Deferred revenues on distribution licenses	183	179
Deferred revenues on grants	3,901	4,169
	4,084	4,348
Total deferred revenues	**11,988**	**12,741**

The caption "Deferred revenues on distribution licenses" records amounts collected from the rights to market Hibor in a number of countries. The Group defers the revenue over the terms of the contracts, which have a duration of between 10 and 15 years. In 2013, new deferred revenues on distribution licences of 70 thousand euros were recognized in relation to new distribution contracts.

The "Deferred revenues on grants" caption shows the amounts pending recognition in the income statement for reimbursable and non-reimbursable grants received by the Group. These amounts are credited to the income statement over the useful life of the subsidized assets.

a) The most significant non-reimbursable grants pending recognition in the income statement are related to the construction of the bemiparin plant in Granada, which came into operation in 2009:

- Non-reimbursable grant granted by the Andalusian Innovation and Development Agency (Innovation, Science and Enterprise Department) for 5,431 thousand euros. This grant was collected in November 2008 and recognition in the income statement commenced in 2009, when the assets for which it was granted began to be depreciated. The amount recognized for this grant under the caption "Deferred revenues on current and non-current grants" at 31 December, 2013 was 4,104 thousand euros (4,399 thousand euros at 31 December, 2012).

- Also for the construction of the Granada bemiparin plant, the Innovation, Science and Enterprise Department of the Andalusian Regional Government granted the Group a non-reimbursable grant of 2,200 thousand euros. Recognition of this grant in the income statement commenced on 1 January, 2010 and the amount recognized under the caption "Deferred revenues on current and non-current grants" at 31 December, 2013 was 1,784 thousand euros (1,784 thousand euros at 31 December, 2012). This grant had not yet been collected at 31 December, 2013.

Analysis of the main headings in the balance sheet for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

b) The most significant amounts recognized as deferred revenues related to reimbursable grants granted by government entities relate to construction of the vaccine plant in Granada:

- In 2009, the Group received a decision whereby the Ministry of Health and Social Policy granted a repayable loan of 11,900 thousand euros for development of the vaccine against seasonal influenza and the construction of a new vaccine production plant in Granada. This loan was collected in 2010. A subsidized interest rate is associated to this loan and is recognized under the caption "Deferred revenues on current and non-current grants" for an amount of 3,285 thousand euros at 31 December, 2013 (3,285 thousand euros at 31 December, 2012).

Analysis of the main items in the income statement for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Revenue

	2013	2012
Sale of goods and other income	156,849	138,545
Sale of services	60,406	63,128
Revenue from distribution licenses	331	179
Total revenue	**217,587**	**201,923**

Sale of goods by product line

	2013	2012
Pharmaceutical products	126,608	110,785
Contrast agents and other hospital products	23,421	20,691
Non-prescription pharmaceutical products and other	6,820	7,069
Total sale of goods by product line	**156,849**	**138,545**

Sales of **prescription-based pharmaceutical** products rose 14% to 126.6 million euros in 2013. In September 2012, ROVI and UCB reached an agreement under which they ended their commercial relationship with regards to Cimzia, which had been jointly co-promoted in Spain by ROVI and UCB since June 2010. Excluding the impact of Cimzia co-promotion in 2012, sales of prescription-based pharmaceutical products increased by 15% in 2013.

ROVI's low molecular weight heparin (LMWH), **Bemiparin**, had a very positive performance in 2013, with sales up 20% to 66.7 million euros. Sales of Bemiparin in Spain (**Hibor®**) increased by 20% to 43.8 million euros, while international sales also had a 20% rise to 22.9 million euros in 2013 supported by the increased presence of Bemiparin, through strategic alliances, in countries where it was already present, and by the launch of the product in four new countries during 2013: Romania, South Korea, Lebanon and United Arab Emirates. Besides, ROVI has recently obtained registration approval in China and will launch Bemiparin in the Chinese market already in 2014.

Sales of **Vytorin®** and **Absorcol®**, the first of the five licenses of MSD, launched in January 2011, increased by 43% to 17.6 million euros in 2013.

Sales of **Corlentor®**, a specialty product for stable angina and chronic heart failure from Laboratoires Servier, rose 31% to 12.0 million euros in 2013.

Analysis of the main items in the income statement for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Sales of **Thymanax®**, an innovative antidepressant from Laboratoires Servier, launched in March 2010 and for which ROVI has a co-marketing agreement covering Spain, decreased by 1% to 11.5 million euros in 2013 impacted by the latest measures package introduced by the Spanish Government in April 2012 (and effective on 1 July 2012) which is explained below. Nevertheless, sales of Thymanax® increased by 5% in the last quarter of 2013.

Sales of **Exxiv®**, a selective COX-2 inhibitor from Merck Sharp & Dohme (MSD), decreased by 1% to 7.1 million euros in 2013, mainly due to a slight deceleration of the COX-2 market.

Sales of **Osseor®**, a specialty product for the treatment of postmenopausal osteoporosis from Laboratoires Servier, decreased by 31% to 4.2 million euros in 2013.

Sales of **contrast imaging agents** and other hospital products increased by 13% to 23.4 million euros in 2013.

Sales of **over-the-counter pharmaceutical products** ("OTC") **and Other** declined by 4% to 6.8 million euros in 2013 compared to the previous year, mainly as consequence of the reduction of consumption in the current Spanish economic environment.

Employee benefit expenses

	2013	2012
Wages and salaries	45,760	44,436
Social security costs	9,843	9,059
Pension costs - defined-contribution pension plans	16	51
Total employee benefit expenses	**55,619**	**53,546**

Analysis of the main items in the income statement for Laboratorios Farmacéuticos ROVI, S.A. and subsidiaries (thousands of euros)

Main financial ratios

	2013	2012
Financial ratios (thousands of euros)		
Gross profit [1]	134,050	127,646
% Gross profit / Revenues	62%	63%
EBITDA [2]	32,415	26,997
% EBITDA / Revenues	15%	13%
Profit for the year	23,022	19,514
Total equity / Total equity and liabilities	61%	57%
Borrowings [3]	30,978	38,390
Borrowings / Total equity and liabilities	13%	17%
Working capital [4]	79,143	75,910
Net cash [5]	5,767	7,462
% Net cash / Total equity and liabilities	2%	3%

(1) Operating revenues (revenues + recognition of government grants on non financial non current assets and others) +/- changes in inventories of finished goods and work in progress - raw materials and consumables used.
(2) Calculated as operating profit + depreciation, amortisation and impairment charges.
(3) This reflects the total of current and non-current borrowings.
(4) Calculated as total current assets - total current liabilities.
(5) Net cash includes available-for-sale financial assets, deposits (included within the heading of Trade and other receivables), cash and cash equivalents and derivative financial instruments (net), minus borrowings (bank borrowings, debts with Government entities, third party debts, finance lease liabilities and accrued interests).

Forward-looking statements

This report contains forward-looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which might cause the actual results, financial condition, performance, or achievements of ROVI or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward looking statements. The statements in this report represent ROVI's expectations and beliefs as of the date of this report. ROVI anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while ROVI may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so, except in case of substantive changes. These forward-looking statements should not be relied upon as representing ROVI's expectations or beliefs as of any date subsequent to the date of this report.

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