Genomma Lab achieves an outstanding 71.4% Top Line Growth and an EBITDA Growth of 73.8% during 1Q10

GENOMMA LAB INTERNACIONAL ANNOUNCES FIRST QUARTER 2010 RESULTS

Mexico City, Mexico – April 22, 2010

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB) ("Genomma Lab" or "the Company"), announced today its results for the quarter ended March 31, 2010. All figures included herein were prepared in accordance with Mexican GAAP; figures are stated in nominal Mexican pesos. Also, the following consolidated figures show the Company's Spanish operations reclassified as discontinued operations according to Mexican GAAP.

1Q 2010 Highlights (vs. 1Q 2009)

- Net Sales for the quarter reached Ps. 1,112.4 million, an increase of 71.4%
- EBITDA increased 73.8%, to Ps. 161.1 million. This represents a 14.5% margin during the period.
- Earnings per Share[1] increased 45.8%, to Ps. 1.49.
- International Net Sales rose 186.6%, to Ps. 314.3 million.
- During the first quarter, Genomma Lab successfully launched 18 products under 7 existing brands (Base Brands[2] and Prior Year Launches[3]) as part of our line extension strategy.
- The Company also launched 4 products under 2 New Brands[4], as part of its new product launch plan during the first quarter.
- During the first quarter of 2010, the Company launched operations in Brazil and in the United States.

[1] Earnings per share are for the last 12 months and were calculated using the weighted average of shares outstanding for the period.
[2] As defined below.
[3] As defined below.
[4] As defined below.

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Comments from the Chairman and CEO

Mr. Rodrigo Herrera, Chairman and Chief Executive Officer, stated: "We are pleased to report our first quarter 2010 results, which show an outstanding top line and EBITDA growth. As in previous periods, we have seen that the demand for our products continues to increase and that our brands are strongly positioned in our consumers' mind. This has allowed us to become one of the fastest growing companies in the industries in which we participate.

We are excited about the performance of our international operations, in which we highlight the Company´s incursion into the Brazilian and U.S. markets. These markets represent a great opportunity for expansion in our international operations and overall Company growth. Replicating the success we have had in other countries, we are confident that these initiatives will also be successful; however, we are being very cautious in the approach we have taken to enter these markets.

We are a Company that focuses on the wellness of our consumers, so we will continue to develop and launch innovative products under premium brands, supported by an aggressive advertising strategy to drive growth in revenues, earnings and cash generation."

Consolidated Results of Operations for the First Quarter of 2010

The following table shows condensed and consolidated results of operations, in millions of pesos (except share and per-share data), the margin for each concept, as a percentage of Net Sales, as well as the variation in terms of percentage for the quarter ended March 31, 2010 compared to the same period of 2009:

For the quarter ended March 31, 2010 and 2009
(In millions of current Mexican Pesos)

	1st Quarter		
	2010	**2009**	**%Var**
Net Sales	1,112.4	649.1	71.4
Gross Profit	767.5	477.3	60.8
Gross Margin	69.0%	73.5%	(4.5)
EBITDA	161.1	92.7	73.8
EBITDA Margin	14.5%	14.3%	0.2
Operating Income	146.3	84.5	73.2
Operating Income Margin	13.2%	13.0%	0.1
Majoritary Net Income	97.5	74.3	31.3
Majoritary Net Income Margin	8.8%	11.4%	(3.1)
Weighted average number of shares outstanding	526,298,046	528,732,133	(0.5)
EPS (12 months)[1]	1.49	1.02	45.8

[1] Earnings per share are for the last 12 months and were calculated using the weighted average of shares outstanding for the period. The total number of shares outstanding as of March 31, 2010 totaled 526,274,713.

Net Sales rose 71.4% to Ps. 1,112.4 million for the first quarter of 2010, from Ps. 649.1 million for the first quarter of 2009. This increase resulted from the combination of the following: i) a 0.3% decrease (Ps. 1.6 million) from **Base Brands** in Mexico, to Ps. 515.2 million, including line extensions on these brands; ii) a 1,105.0% increase (Ps. 249.5 million) due to the full year effect of **Prior Year Launches** in Mexico, including recent line extensions on these brands launched during 2010, to reach Ps. 272.1 million; iii) Ps. 10.8 million in the first quarter of 2010 from **New Brands** in Mexico due to the launch of 4 new products under 2 New Brands during the year; and iv) a 186.6% increase (Ps. 204.6 million) in **International** operations to Ps. 314.3 million.

We classify Net Sales by brands in the following manner:

1) **Base Brands** were launched at least two years prior to the last fiscal year (2008, 2007, 2006, and earlier),
2) **Prior Year Launches** were brands launched during the prior fiscal year (2009),
3) **New Brands** were launched in the current fiscal year (2010), and
4) **International** refers to Net Sales from our international operations.

The following table shows Net Sales for the period detailed by brand:

(In millions of Pesos)

BRAND	NET SALES 1Q10	% OF TOTAL NET SALES	NET SALES 1Q09	VAR %
PRIMER NIVEL	163.4	14.7%	0.0	NA
ASEPXIA	81.3	7.3%	66.0	23.2%
METABOL TONICS	62.9	5.7%	31.4	100.2%
UNESIA	46.9	4.2%	0.0	NA
NEXT	46.2	4.2%	15.9	190.4%
CICATRICURE	36.2	3.3%	54.2	-33.2%
GOICOECHEA	34.9	3.1%	27.9	25.4%
X RAY	27.4	2.5%	25.4	7.6%
NIKZON	23.8	2.1%	44.3	-46.2%
GENOPRAZOL	21.9	2.0%	17.2	27.9%
DALAY	21.6	1.9%	21.9	-1.3%
SHOT B	19.3	1.7%	12.0	61.3%
LINEA M	17.9	1.6%	29.2	-38.7%
MA EVANS	17.6	1.6%	35.7	-50.7%
SUBTOTAL	621.5	55.9%	381.2	63.0%
OTHER BRANDS (<1.5%)	176.7	15.9%	158.2	11.7%
TOTAL NATIONAL	798.1	71.7%	539.4	48.0%
INTERNATIONAL	314.3	28.3%	109.7	186.6%
TOTAL	**1112.4**	**100.0%**	**649.1**	**71.4%**

Despite the strong variations in sales of the various brands, which reflect Genomma Lab's customers' inventory buildups and decreases from time to time, sell-out[5] growth in Mexico (excluding our generics brand *Primer Nivel Por Tu Salud*) reached 30% during the first quarter of 2010, compared to the same period of 2009.

Gross Profit increased 60.8% to Ps. 767.5 million for the first quarter 2010 compared to Ps. 477.3 million during the first quarter of 2009. Gross Margin decreased 4.5 percentage points, as a percentage of Net Sales, to 69.0% in the first quarter of 2010, compared to 73.5% for the same period of 2009. This decrease was primarily attributable to a higher cost of goods sold, as a percentage of Net Sales, in our *Primer Nivel Por Tu Salud* products portfolio, as well as to extraordinary events which impacted the cost of goods sold, as a percentage of Net Sales, and will stabilize in the following quarters.

Selling, General and Administrative Expenses, as a percentage of Net Sales, decreased 4.7 percentage points to 55.8% for the first quarter of 2010 from 60.5% for the first quarter of 2009. This decrease was mainly due to corporate leverage achieved by a strong increase in Net Sales during the first quarter of 2010 compared to the same period of 2009. This decrease was partially offset by an increase in accounts receivables reserves for the first quarter of 2010 compared with the same period of 2009, due to the cancellation of accounts receivables reserves during the first quarter of 2009 based on an improvement in the management of past due receivables, which directly reduced expenses for that period.

EBITDA increased 73.8% to Ps. 161.1 million for the first quarter of 2010, compared to Ps. 92.7 million for the first quarter of 2009. The EBITDA margin increased 0.2 percentage points as a percentage of Net Sales to 14.5% for the first quarter of 2010 from 14.3% for the first quarter of 2009. The EBITDA margin increase was primarily due to a decline in the Selling, General and Administrative Expenses as a percentage of Net Sales, for the aforementioned reasons and was partially offset by a higher cost of goods sold as a percentage of Net Sales.

[5] Sell-out represents Genomma Lab's customers´ sales at the point of sale. This statistic is measured internally and is derived from information obtained from a representative sample of our customers from which we obtain this information on a regular basis.

EBITDA Reconciliation

For the first quarter period ended March 31, 2010 and 2009
(In thousands of current Mexican pesos)

	1st Quarter	
	2010	**2009**
Consolidated net income (loss)	100,669	74,950
Discontinued operations	-	423
Income tax expense (benefit)	45,757	23,093
Comprehensive financing (income) cost	8,186	(11,385)
Other expense, Net	(12,120)	(2,602)
Depreciation and Amortization	14,774	8,202
Income of non consolidated subsidiaries	3,792	-
EBITDA	161,059	92,682
EBITDA margin	14.5%	14.3%

Operating Income increased 73.2% to Ps. 146.3 million for the first quarter of 2010 compared to Ps. 84.5 million for the first quarter of 2009. Operating margin increased 0.2 percentage points, as a percentage of Net Sales, to 13.2%, compared to 13.0% for same period in 2009. This increase was primarily due to the aforementioned decreases in Selling, General and Administrative expenses as a percentage of Net Sales and was partly balanced by the increases in the cost of goods sold as a percentage of Net Sales

Comprehensive Financing Income resulted in a loss of Ps. 8.2 million for the first quarter of 2010, which represented a decrease of Ps. 19.6 million compared to the Ps. 11.4 million gain during the first quarter of 2009. This increase was primarily a result of: i) lower interest income, to Ps. 9.2 million for the first quarter of 2010 from Ps. 19.9 million in the same period of 2009, primarily due to higher average cash balances in 2009 and a decrease in interest rate paid from bank accounts; ii) a foreign exchange loss of Ps. 16.2 million in the first quarter of 2010, from a Ps. 3.6 million loss during the same period of 2009, primarily due to the depreciation of U.S. dollar balances versus the Mexican peso for the period; iii) an increase in the monetary position loss, to Ps. 3.8 million during the first quarter of 2010, compared to Ps. 2.5 million for the first quarter of 2009; iv) an increase in financial expenses of Ps. 2.1 million to Ps. 3.5 million during the first quarter of 2010 compared to Ps. 1.4 million during the same period of 2009; and v) an increase in the effects of the exchange rate from foreign operations of Ps. 7.1 million to a gain of Ps. 6.1 million in the first quarter of 2010 from a loss of Ps. 1.0 million, due to the appreciation of the currencies in our operations during the corresponding periods. As of March 31, 2010, the Company maintained a U.S. dollar treasury position of US$ 11.4 million.

As of March 31, 2010, Genomma Lab had a total cash position of Ps. 979.1 million.

Consolidated Net Income increased 34.3% to Ps. 100.7 million for the first quarter of 2010 compared to Ps. 74.9 million for the first quarter of 2009.

Balance Sheet

As of March 31, 2010, December 31, 2009 and March 31, 2009
(In millions of current Mexican pesos for the amounts of March 2010, December 2009 and March 2009)

	March 31, 2010	March 31, 2009	Var Mar 10 vs Mar 09	December 31, 2009	Var Mar 10 vs Dec 09
Balance Sheet Information:					
Cash and equivalents	**979.1**	1,078.6	(99.5)	1,059.4	(80.3)
Trade receivables	**1,497.2**	759.0	738.2	1,336.9	160.3
Inventories	**624.7**	455.6	169.1	630.1	(5.4)
Other current assets	**279.0**	196.0	82.9	340.6	(61.6)
Total Assets	**4,370.5**	2,881.3	1,489.1	4,241.7	128.8
Suppliers	**585.1**	307.9	277.2	594.3	(9.1)
Other current liabilities	**513.6**	173.7	339.9	473.0	40.6
Loans with financial institutions	**-**	-	-	-	-
Total Liabilities	**1,223.8**	497.9	725.9	1,190.9	32.9
Stockholders Equity	**3,146.7**	2,383.4	763.3	3,050.7	95.9
Working Capital (1)	**2,281.3**	2,007.6	273.7	2,299.7	(18.4)
Working Capital less cash	**1,302.2**	929.0	373.1	1,240.3	61.9
Trade Recevables days	**110**	99	11	109	1
Inventories days	**159**	232	(73)	183	(24)
Suppliers days	**149**	157	(8)	173	(24)
Cash Conversion Cycle	**120**	174	(54)	119	1

(1) Working capital consists of current assets minus current liabilities.

Cash and Equivalents decreased 9.2% (Ps. 99.5 million) to Ps. 979.1 million on March 21, 2010 compared to Ps. 1,078.6 million on March 31, 2009. This decrease was mainly due to cash consumption related to the acquisition of our corporate headquarters in the amount of Ps. 143.7 million and to brand acquisitions paid during the last twelve months for a total of Ps. 211.1 million. This consumption was partially offset by the Company´s cash generation during the last twelve months.

Trade Receivables increased 97.3% (Ps. 738.2 million) to Ps. 1,497.2 million on March 31, 2010 from Ps. 759.0 million on March 31, 2009. Days of Trade Receivables increased 11 days, to 110 on March 31, 2010 from 99 on March 31, 2009. This increase was mainly due to the beginning of operations in the Brazilian and U.S. markets, as well as the overall growth achieved by the Company.

Inventories increased 37.1% (Ps. 169.1 million) to Ps. 624.7 million on March 31, 2010 from Ps. 455.6 million on March 31, 2009. Days of Inventories decreased 73 days, to 159 on March 31, 2010 from 232 on March 31, 2009. This decline was primarily a result of high inventory levels in the comparable period of 2009.

Suppliers increased 90.0% (Ps. 277.2 million) to Ps. 585.1 million on March 31, 2010, from Ps. 307.9 million on March 31, 2009. Days of Suppliers decreased 8 days, to 149 on March 31, 2010 from 157 on March 31, 2009.

Other Current Assets increased 42.3% (Ps. 82.9 million) to Ps. 279.0 million on March 31, 2010 from Ps. 196.0 million on March 31, 2009. This change was mostly due to an increase in receivable taxes due to pending VAT tax refunds.

Other Current Liabilities increased 195.7% (Ps. 339.9 million) to Ps. 513.6 million on March 31, 2010 from Ps. 173.7 million on March 31, 2009. This change was mainly attributable to an increase in payable advertising during the period in addition to an increase in payable income taxes due to the Company´s sales growth.

During the first quarter of 2010, cash flow from our operations and cash on hand was sufficient to meet our liquidity requirements.

Operations Summary

Net Sales for the First quarter

For the first quarter of 2010, Net Sales of our OTC pharmaceutical products in Mexico increased 26.1%[6] compared to the first quarter of 2009. During the first quarter of 2010, the Company launched 7 new OTC products.

Net sales of our personal care products in Mexico increased 5.4%[7] for the first quarter of 2010 compared to the first quarter of 2009. During the first quarter of 2010 the Company launched 10 new personal care products.

During the first quarter of 2010 the Company launched 5 new generic pharmaceutical products.

[6] Includes only OTC pharmaceutical products in Mexico.
[7] Includes only personal care products in Mexico.

Net sales in our international operations increased 186.6% to Ps. 314.3 million for the first quarter of 2010 compared to Ps. 109.7 million for the same period in 2009. This increase was mainly driven by sales from our new operations in the Brazilian and American markets, as well as an important growth in the rest of our Latin American operations, lead by Colombia, Peru and Argentina.

New Products Launches and Line Extensions

During 2010, we have launched 18 line extensions of **Base Brands** and **Prior Year Launches;** and 4 new products under 2 **New Brands**; among these were:

Dermoprada Anti-Callus Kit is a line extension of our Dermoprada brand, consisting of a treatment for callus elimination by removing the heel dryness and cracking, in an easy and safe manner.

Goicoechea Arnica is a line extension of our Goicoechea brand, consisting in a topical treatment based on 2 different natural extracts, which improves the appearance of varicose skin. *Goicoechea Arnica* contains relaxing ingredients mixed with arnica, which is known for its anti-inflammatory properties.

Siluet 40 Beverages is a line extension of our Siluet 40 brand. *Siluet 40 Beverages* are ultra light drinks, with zero calories that come in two different flavors. They are fortified with herbal extracts and anti-oxidants.

Other Events

- Genomma Lab began operations in Brazil during this quarter. The Company is being very cautious about this incursion.

- During the first quarter the Company also began operations in the U.S. Genomma Lab has entered this market through its joint venture with Televisa.

Company Description

Genomma Lab Internacional, S.A.B. de C.V. is one of the fastest growing pharmaceutical and personal care products companies in Mexico with an increasing international presence. Genomma Lab develops, sells and markets a broad range of premium branded products, many of which are leaders in the categories in which they compete in terms of sales and market share. Genomma Lab relies on the combination of a successful new products development process, a consumer-oriented marketing, a broad retail distribution network and a low-cost, highly flexible operating model.

Genomma Lab's shares are listed on the Mexican Stock Exchange under the ticker symbol "LAB.B" (Bloomberg: labb.mx).

Income Statement

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated statements of operations
For the three months period ended March 31, 2010 and 2009.
(In thousands of current Mexican Pesos)

	1Q		
	2010	**2009**	**% Var**
Net sales	1,112,427	649,092	71%
Costs and expenses:			
Cost of sales	344,910	171,825	101%
Selling, general and administrative expenses	621,232	392,788	58%
Total costs and expenses	966,143	564,613	71%
Income from operations	146,284	84,479	73%
Other (expense)- Net	12,120	2,602	366%
Comprehensive financing income (cost)			
Interest (expense)	(3,519)	(1,433)	-
Interest income	9,231	19,880	-54%
Exchange gain (loss)	(16,230)	(3,579)	-
Monetary position (loss)	(3,798)	(2,465)	-
Effects of exchange rate changes on foreign operations	6,130	(1,019)	-
	(8,186)	11,385	-172%
Income of not consolidated subsidiaries	(3,792)	-	-
Income before income taxes	146,426	98,466	49%
Income tax expense (benefit)	45,757	23,093	98%
Discontinued operations (loss)	-	(423)	-
Consolidated net income (loss)	100,669	74,950	34%
Consolidated net income (loss)	100,669	74,950	34%
Net loss (income) of minority stockholders	(3,169)	(669)	-
Net income of majority stockholders	97,500	74,281	31%

Balance Sheet

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated balance sheets
For the periods March 31, 2010 and 2009
(In thousands of current mexican Pesos)

	Mar-10	Mar-09	V$	V%
Assets				
Current assets:				
Cash and equivalents	979,111	1,078,584	(99,473)	-9.2%
Share repurchase fund	8,193	9,923	(1,730)	-17.4%
Employee compensation fund	7,970	23,185	(15,215)	-65.6%
Accounts receivable-Net	1,667,488	873,986	793,502	90.8%
Inventory - Net	624,716	455,576	169,140	37.1%
Prepaid expenses and other current assets	63,642	30,940	32,702	105.7%
Due from related parties	28,916	17,047	11,869	69.6%
Discontinued operations	3,408	22,728	(19,320)	-85.0%
Total current assets	**3,383,444**	**2,511,969**	**871,475**	**34.7%**
Equipment- net	**396,934**	**107,949**	**288,985**	**267.7%**
Trademarks	449,818	80,638	369,180	457.8%
Investments in subsidiaries	20,170	115,050	(94,880)	-82.5%
Deferred income tax	1,275	16,621	(15,346)	-92.3%
Other assets- Net	118,784	48,677	70,107	144.0%
Discontinued operations	37	415	(378)	-91.0%
	590,084	**261,401**	**328,683**	**125.7%**
Total Assets	**4,370,462**	**2,881,319**	**1,489,143**	**51.7%**
Current Liabilities:				
Trade accounts payable	585,132	307,930	277,203	90.0%
Due to related parties	-	303	(303)	-100.0%
Accrued expenses and taxes other than income taxes	418,458	145,230	273,229	188.1%
Income tax payable	75,028	28,150	46,878	166.5%
Statutory employee profit sharing	3,825	3,923	(98)	-2.5%
Discontinued operations	4,656	6,753	(2,096)	-31.0%
Deferred income tax	20,121	-	20,121	-
Employee retirement obligations	8,477	5,644	2,833	50.2%
Trade accounts payable LP	108,090	-	108,090	-
Total Liabilities	**1,223,789**	**497,932**	**725,857**	**145.8%**
Capital stock	274,924	274,924	-	0.0%
Additional paid in capital	1,553,938	1,553,938	-	0.0%
Retained earnings	1,278,375	519,413	758,962	146.1%
Net income	97,500	74,281	23,219	31.3%
Cumulative translation effects of foreign subsidiaries	(10,509)	3,473	(13,982)	-
Share buyback fund	(60,118)	(42,641)	(17,477)	-
Minority Interest	12,563	-	12,563	-
Total stockholders equity	**3,146,673**	**2,383,387**	**763,286**	**32.0%**

Cash Flow Statement

Genomma Lab Internacional S.A.B. de C.V. and subsidiaries

Consolidated cash flow statement
For the three months ended March 31, 2010
(In thousands of current Mexican Pesos)

	2010
Operating activities:	
Income for continued operations before taxes	146,426
Items that did not require resources:	
Depreciation and amortization	14,774
Not realized foreign exchange gains or losses	14
Gain on fixed assets sale	-
Income tax	1,594
Assignment of rights of accounts receivable in dividends in kind	1,827
Superavit with related parties	6,565
Employee termination obligations, net	986
Employee profit sharing	445
Other financing activites	1,210
Cash flow from operations	**173,841**
(Increase) Decrease in accounts receivable	(119,976)
(Increase) Decrease in inventories	5,405
Increase (Decrease) in accounts payable	19,938
Increase (Decrease) in payable tax	(11,752)
Other, Net	18,354
Shared based payments	-
Discontinued operations	-
Changes in Working Capital	(88,031)
Net cash flow generated (used) in operating activities	**85,810**
Investing activities:	
Divestments (investments)	(147,490)
Asset sales (other capital expenditures)	(12,125)
Discontinued operations	-
Net cash flow generated (used) in investing activities	**(159,615)**
Net cash flow from Investing	**(73,805)**
Financing activities:	
Stock repurchases	-
Payable interest from prior periods	(1,210)
Gain on stock repurchases	-
Minority interest	3,610
Net cash flow provided from financing activities	**2,400**
Net increase in cash and equivalentes before foreign exchange adjustments coming from International operations and inflationary effects.	(71,405)
Foreign exchange and inflationary effects from International operations	(11,737)
Net increase (decrease) in cash	(83,142)
Cash and equivalents beginning of period	**1,078,416**
Cash and equivalente end period balance	**995,274**
less- Employees shares fund	8,193
less- purchasing shares fund	7,970
Cash and equivalents end period balance	**979,111**